

Thursday
18 January 2024

Volume 743
No. 33



**HOUSE OF COMMONS
OFFICIAL REPORT**

**PARLIAMENTARY
DEBATES**

(HANSARD)

Thursday 18 January 2024

House of Commons

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The House met at half-past Nine o'clock

PRAYERS

[MR SPEAKER *in the Chair*]

BUSINESS BEFORE QUESTIONS

DEATH OF A MEMBER

Mr Speaker: As I told the House yesterday, I have to report the death of Sir Tony Lloyd, the Member for Rochdale. I know that hon. Members from across the House will join me in mourning the loss of our colleague, and I invite all Members to join me in a minute's silence in memory of Tony.

The House observed a one-minute silence.

Mr Speaker: I would like to assure the House that there will be an opportunity for all of us to pay tribute to Tony at a later date. Our sympathies are with his family and friends. He will be sadly missed across the House.

Oral Answers to Questions

CABINET OFFICE

The Minister for the Cabinet Office was asked—

Grenfell Tower Inquiry

1. **Mike Amesbury** (Weaver Vale) (Lab): What recent discussions he has had with the chair of the Grenfell Tower inquiry on the timetable for publication of the phase 2 report. [901014]

10. **Helen Hayes** (Dulwich and West Norwood) (Lab): What recent discussions he has had with the chair of the Grenfell Tower inquiry on the timetable for publication of the phase 2 report. [901031]

The Parliamentary Secretary, Cabinet Office (Alex Burghart): The Grenfell Tower inquiry is a statutory inquiry established under the Inquiries Act 2005. Under the Act, the drafting of an inquiry's final report and the timing of that process are rightly matters for the independent inquiry chair. In its November 2023 newsletter, published on its website, the inquiry confirmed that

“the report will not be published before April next year but the Panel hopes to be able to send it to the Prime Minister before the next anniversary of the fire with publication soon thereafter.”

Mike Amesbury: I thank the Minister for his response. It is now nearly seven years since the Grenfell tragedy, in which 72 people lost their lives. What assurances has he had from the inquiry chair that there will be no

further delays in the publication of the report? It is essential that justice is done, and I know that view is echoed across the House.

Alex Burghart: The hon. Gentleman will have seen, further to what I have just read out, the report that was published in November, in which the chair explained that rule 13 of the inquiry rules requires the inquiry “to write to those who might be subject to criticism”

and give them fair time to respond. The newsletter states:

“The rule 13 process is proving time consuming.”

However, I hope that the hon. Gentleman will be reassured by the dates that I have read out.

Helen Hayes: The Prime Minister assured the public that the Grenfell tragedy would not be forgotten, yet across many different areas of concern—the lack of resolution on the future of the Grenfell Tower site, the many buildings that have been evacuated because of structural concerns, and the lack of justice for survivors—we see a lack of urgency in addressing the concerns raised by the inquiry. When will the Government act to rebuild public confidence and ensure that the necessary measures are taken to prevent a similar tragedy happening in future?

Alex Burghart: I thank the hon. Lady for her question, but I think it is deeply unfair to suggest that there has been a lack of urgency from the Government. The then Prime Minister announced the inquiry the day after that terrible event, and we have taken huge action to provide compensation for people and to ensure that no qualifying leaseholder living in a building above 11 metres will face the cost of remediation for unsafe cladding. Of course we are eager to get the response from the official inquiry, and we will take action thereafter.

Public Procurement: Covid-19

2. **Mr Tanmanjeet Singh Dhesi** (Slough) (Lab): Whether he has made an assessment of the adequacy of public procurement processes under covid-19 emergency regulations. [901019]

9. **Debbie Abrahams** (Oldham East and Saddleworth) (Lab): Whether he has made an assessment of the adequacy of public procurement processes under covid-19 emergency regulations. [901030]

The Parliamentary Secretary, Cabinet Office (Alex Burghart): There are well established procedures in the Public Contracts Regulations 2015 for handling emergency procurements, which enable the Government to procure lifesaving goods and expertise. We followed those procedures in order to save lives as fast as we could during the worst pandemic in living memory. The Procurement Act 2023, which has just passed both Houses of Parliament, will introduce faster competition processes for emergency buying, reducing the reliance on direct awards while retaining and improving transparency, and the ability to act at pace in situations similar to the covid pandemic.

Mr Dhesi: I am deeply saddened by the death of our dear friend Sir Tony Lloyd.

I fear that the Procurement Act will allow for the same horrific waste of taxpayers' money and the approach to public procurement that we experienced during the pandemic, with friends and donors to the Tory party being given the first bite of the cherry while decent local skilled businesses are increasingly sidelined by the Government's approach. We saw that in recent analysis from the British Chambers of Commerce. Can the Minister explain why small and medium-sized enterprises are increasingly being sidelined from access to public procurement?

Alex Burghart: I have to take issue with a number of the hon. Gentleman's points. First and foremost, the idea, constantly repeated by Opposition Members, that there was special consideration for individual companies—*[Interruption.]* It is very important that we go through this yet again. The hon. Gentleman has had answers on this twice in the past year, but I am going to tell him a third time: the simple fact of the matter is that everyone who applied for a contract went through the same process. Very hardworking and professional civil servants made those judgments in uniquely difficult circumstances. Frankly, I am sick of hearing slurs against their good name. *[Interruption.]*

Mr Speaker: If the Minister has to say it for a fourth time, I hope that we will not get the attention we are receiving today.

Debbie Abrahams: I absolutely agree with my hon. Friend the Member for Slough (Mr Dhesi). In spite of the Minister's protestations, the evidence is to the contrary—*[Interruption.]*

Mr Speaker: Order. We do not need the Parliamentary Private Secretary chipping in. Is that understood?

Katherine Fletcher (South Ribble) (Con): I am sorry, Mr Speaker.

Mr Speaker: Thank you.

Debbie Abrahams: The fact that Ministers' mates can get these lucrative contracts, as last month's evidence showed, while tens of thousands of our constituents struggle to put food on the table is an absolute disgrace. Of the £12.6 billion-worth of personal protective equipment contracts let in 2020, will the Minister confirm—I have evidence on this, so I advise him to choose his language carefully—that up to a third were fraudulent, or the result of profiteering or conflicts of interest?

Alex Burghart: I would be very interested to see the hon. Lady's evidence. Where there is evidence of fraud, we will of course go after that, as we have done so in a number of high-profile cases. Where investigations are ongoing, we will recoup as much money as we can for the British taxpayer.

Mr Speaker: I call the shadow Minister.

Jonathan Ashworth (Leicester South) (Lab/Co-op): I, too, wish to put on the record my condolences to Tony Lloyd's family. He will be missed across the House, and across the Labour movement as a whole.

The Government lost £9 billion through duff, unusable PPE. The Prime Minister, when Chancellor, signed off £7 billion-worth of dodgy covid loans. Even today, the Government are losing £10 billion to tax fraud, £6 billion to universal credit fraud, and billions more across the public sector as a whole. Is the truth not that families are paying £1,200 more on average in tax because the Government simply cannot be trusted with taxpayers' money?

Alex Burghart: I really struggle with that line of questioning. Opposition Members have very short memories. This was the worst pandemic that we have had in over a century. The pressures on Government were immense. The accusation that we bought too much PPE is akin to people standing up in 1945 and saying that the Government bought too many Spitfires.

Cyber-security

3. **Vicky Ford** (Chelmsford) (Con): What steps his Department is taking to strengthen cyber-security. [901021]

The Chancellor of the Duchy of Lancaster and Secretary of State in the Cabinet Office (Oliver Dowden): I know that my right hon. Friend is particularly interested in this issue following cyber-attacks in her constituency in 2019. I can assure her that we are improving cyber-security defences across critical national infrastructure and Government organisations. Initiatives such as GovAssure, which I launched last year, are setting higher standards for resilience, and the Government's cyber co-ordination centre is enabling collaboration and information sharing on cyber-security best practice.

Vicky Ford: I add my condolences to those expressed to Tony's family.

Cyber-security is the biggest risk that many companies face, but many small and medium-sized businesses are not insured. Buying good-quality cyber-security insurance can involve a health check to ensure that systems are protected. The UK is the world leader in insurance and Chelmsford has the largest cluster of insurance companies outside London, so will the Minister meet me and representatives of the London insurance market to discuss how an improved quality mark for cyber-security could increase the availability of cover, ensuring that businesses and public sector bodies are better protected?

Oliver Dowden: I would be very happy to do so. As my right hon. Friend points out, cyber-insurance plays a vital role in helping to build resilience and we have a shared interest in developing it. The National Cyber Security Centre has stood up the cyber-insurance industry working group, which is working through all these issues. I have met with Lloyd's of London, and both I and Treasury Ministers will be happy to have further such meetings.

Clive Efford (Eltham) (Lab): Has the Secretary of State read the speech made by the Auditor General this week about cyber-security, which said that lack of investment in upgrading our infrastructure makes the Government vulnerable to cyber-attack? Is he comfortable that we are safe from such attack? Does that not show that the Tories are penny wise but pound stupid?

Oliver Dowden: I am aware of the speech and I have spoken in the House on many occasions about the challenges we face on cyber-security. It is an increasing threat landscape, but the Government are taking a range of actions to improve our cyber-security, not least GovAssure, which I announced last year. That is about going through the cyber-security of all Departments to bring it up to scratch. We published the cyber-policy handbook and we have introduced “secure by design” principles so that all new Government IT procurement projects are secure from the outset.

Mr Speaker: I call the shadow Minister.

Dame Nia Griffith (Llanelli) (Lab): The recent British Library incident is a stark reminder of the terrifying security risk and enormous cost of cyber-attacks, and recent ministerial answers have revealed a shockingly high number of red-rated IT systems across Government Departments. I hear the Secretary of State’s words, but given that the Government’s cyber-security strategy tells us that

“transparent central governance structures will maintain oversight and responsibility for cross-government cyber security risk”,

will he now set out the Government’s timetable for remedying this shocking situation and explain how he will keep the House updated on progress?

Oliver Dowden: We know about this in the first place because of the work undertaken by the Government to fully understand the cyber-security risks facing this country. We are better prepared than most countries around the world. None the less, in respect of the red-rated systems, we are developing remediation plans, all of which will be in place by next year. We are tracking progress and are confident that we will achieve over £1 billion in efficiency savings, in addition to achieving greater resilience by next year.

Public Procurement: SMEs

4. **Sir David Davis (Haltemprice and Howden) (Con):** What steps his Department is taking to improve access to public sector procurement processes for small and medium-sized businesses. [901023]

8. **Paul Howell (Sedgefield) (Con):** What steps his Department is taking to improve access to public sector procurement processes for small and medium-sized businesses. [901029]

The Parliamentary Secretary, Cabinet Office (Alex Burghart): The Procurement Act 2023 will deliver simpler and more effective public sector procurement, and it will help SMEs secure a greater share of approximately £300 billion of expenditure every year. The Act includes a new duty on contracting authorities to have regard to the particular barriers facing SMEs and to consider how they can be overcome.

Sir David Davis: To some extent, SMEs have historically been blocked out by large companies. This week it was reported that the Government tried to block Fujitsu from bidding for future contracts, on the basis of woeful performance in previous contracts. Government lawyers have advised that this cannot be done, but they are wrong. Will the Government give further serious thought

to blocking large companies with terrible track records, such as Fujitsu, from bidding for future contracts and, if necessary, legislate accordingly?

Alex Burghart: I thank my right hon. Friend for his question. As he will know, there are clearly defined circumstances in which the Government can exclude companies from bidding for contracts. With regard to Fujitsu, he may be interested to hear that this morning the Cabinet Office received a letter from Fujitsu voluntarily undertaking not to bid for Government contracts while the inquiry is ongoing, unless of course the Government asked it to do so.

Paul Howell: When it comes to small and medium-sized enterprises getting Government contracts, sometimes the devil is in the detail and the unintended consequences. One business has told me that the prior year turnover to contract ratio restriction in public procurement is hindering the growth of businesses such as Kromek in NETPark, Sedgefield, forcing them to surrender margins to prime contractors and meet the contracting eligibility requirements, costing the UK Government the best innovation and costing SMEs growth. Will the Minister please commit to exploring alternative measures for assessing contract eligibility, including looking at the model of the US Government and their associated agencies?

Alex Burghart: I thank my hon. Friend for his question. I know that he will have followed the passage of the Procurement Act 2023 through Parliament closely, as will businesses in his constituency—particularly SMEs, I hope. He will have seen that the Act removes unnecessary obstacles relating to audited accounts and insurance for the conditions of participation, meaning that small businesses will no longer be shut out of the procurement process or incur unnecessary costs. That duty that I referred to earlier for those procuring Government contracts to consider how to remove barriers to SMEs will really change the landscape for our small and medium-sized enterprises.

John Spellar (Warley) (Lab): In his reply to the right hon. Member for Haltemprice and Howden (Sir David Davis), the Minister totally missed the point, because he referred to defined reasons why companies could be excluded. The Government and Parliament make the rules. They have been dragging their feet month after month, year after year, on changing that in this regard, but also in terms of supporting domestic industry, as every other major economy does. When will they sort this out and get it down to the House and into the rules, over civil service intransigence and delaying tactics?

Alex Burghart: The right hon. Gentleman will have heard what I just said to my right hon. Friend the Member for Haltemprice and Howden (Sir David Davis). I know that, as a lover of due process, he will believe that the statutory inquiry should appropriately have the final word on this. And when it does, we will have absolutely no compunction in acting.

Jim Shannon (Strangford) (DUP): May I, too, convey my sympathies to the family of Tony Lloyd? I thank you, Mr Speaker, for allowing us the opportunity to come together more fully as a House to pay tribute.

I thank the Minister for his answer. My constituents in Strangford, and indeed people across Northern Ireland, including a large number of small and medium-sized enterprises and businesses—they create many jobs, wage packets and opportunities—very much want to be part of this process, and I know the Minister is keen to support us. What can be done for defence procurement, for example, and also for the food and agriculture sectors, because we have great companies that have the potential to do better. Can the Minister add his support?

Alex Burghart: I certainly can. As my hon. Friend will know, Northern Ireland agreed to be part of the new procurement regime when we passed the Procurement Act, which is fantastic. Sadly, that is unlike our friends in Scotland, who will miss out on all the benefits of the best modern procurement framework in the world. That means that small and medium-sized enterprises in his constituency will now have a better opportunity to bid for Government contracts. I very much enjoyed being in Northern Ireland at the end of last year. I am going again in the next few months and would be happy to meet any businesses that he would like to put me in touch with.

Support for Female Veterans

5. **David Duguid** (Banff and Buchan) (Con): What steps he is taking to improve support for female veterans. [901024]

The Minister for Veterans' Affairs (Johnny Mercer): The Government will publish our first women veterans' strategy in the spring, focusing on the specific needs of women veterans. The Office for Veterans' Affairs has provided £445,000 to better understand the experience of women veterans and to increase support for those who have experienced military sexual trauma.

David Duguid: I thank the right hon. Member for his answer. Will he join me in recognising female veterans who not only served themselves—as I know he did—but support veterans in their local communities, such as my constituent Morag Lightning? She is an RAF veteran who volunteers as a RAF Association welfare officer and who does too many things to mention in our community, for which she was awarded a British empire medal in the King's new year's honours list. Would he join me in congratulating her on that?

Johnny Mercer: I pay huge tribute to Morag and the many others who I have met over the past few years who work night and day at the coalface of veterans' care and policy. They are the true heroes in looking after our veterans. It is the nation's responsibility, and those who have left the military often set the example for how we look after our veterans. I pay tribute to her and the hundreds and thousands of others across the country who spend night and day helping veterans.

Stephanie Peacock (Barnsley East) (Lab): I welcome the women veterans' strategy and the update that the Minister has given on it. Will the strategy take into account the findings of the review of veterans' welfare services, which I was pleased the Government carried out?

Johnny Mercer: Yes, of course. The review of welfare services for veterans is the most significant review that has happened ever on the statutory service of veterans' affairs across the Ministry of Defence and across Government. It has of course been a concern of mine for some time that female veterans have not felt as included and as part of the veterans' community as I would want them to feel. I am absolutely determined to over-correct that and ensure that women veterans are looked after and are as proud as I am of their service and of being in the veteran community.

Mr Speaker: I call the shadow Minister.

Steve McCabe (Birmingham, Selly Oak) (Lab): The Centre for Military Women's Research has identified numerous gaps in our understanding of women's experiences in the military, the consequent problems they face and the reluctance to pursue research on those matters. Is it right to presume that the women veterans' strategy—I hear what the Minister says about his genuine concern on these matters—will be his main vehicle for ensuring that we tackle those issues?

Johnny Mercer: Absolutely; the point of the strategy, essentially, is to ensure that the voices that have been unheard for too long are heard. I know that there is unmet need and pain in the female veteran community. There is also huge pride, and there are extraordinary examples of those who have served and have gone on to achieve extraordinary things in their lives. We will of course look to achieve balance; I want to ensure that female veterans are correctly catered for and looked after in this country. I want it to be the best country in the world to be a veteran—and that is for all veterans, female or male, across the piece, irrespective of cap badge. I am determined to keep going until we get there.

Cyber-security

6. **Feryal Clark** (Enfield North) (Lab): What steps his Department is taking to protect public services and institutions from cyber-threats. [901025]

The Chancellor of the Duchy of Lancaster and Secretary of State in the Cabinet Office (Oliver Dowden): We are protecting our public services from cyber-threats through our world-leading Government cyber-security strategy. We are also tackling the threat at source. Last year alone, we sanctioned 18 criminals responsible for spreading a prolific ransomware strain, and we exposed the Russian intelligence services for their attempts to target high-profile individuals and entities through cyber-operations.

Feryal Clark: I thank the Secretary of State for his response. In the wake of the recent attack on the British Library, will he tell us what assessment the Government have made of potential cyber-attacks on other non-departmental public bodies? How will he ensure that they are not vulnerable to similar attacks and that the country is not brought to a standstill?

Oliver Dowden: The hon. Lady is absolutely right to highlight that attack. It demonstrates that such attacks can affect not just central Government; any agency of government can be subject to them. Indeed, we discussed it at Cabinet just this week. I continue to co-ordinate

activity through the ministerial cyber board, and the National Cyber Security Centre works closely with Government agencies, including the British Library, to ensure that they are as robustly prepared as they can be.

Ministers' Interests: Transparency

7. **Nick Smith** (Blaenau Gwent) (Lab): What recent discussions he has had with the independent adviser on ministers' interests on ensuring transparency of declarations. [901028]

The Minister without Portfolio (Esther McVey): There is an established process in place for the declaration and management of interests held by Ministers, as set out in the ministerial code. The independent adviser on ministers' interests publishes a twice-yearly list of Ministers' interests. Since 2023, interim updates to the list are also issued as needed. The latest list was published in December.

Nick Smith: Public appointment declarations are important. As the public face of scandal-ridden Greensill Capital, it has been said of Lord Cameron that he earned \$10 million, was paid via an offshore trust and enjoyed many personal flights on Greensill's planes. Yet when challenged on his remunerations, Lord Cameron refused to answer, saying that he had been a private citizen and had declared all the information for the Register of Members' Financial Interests. The reply that I received from the independent adviser about all that said that, on appointment, Ministers must declare their private interests. I ask the Minister how a Member can get answers to questions about Lord Cameron's employment before his appointment. Surely, if someone gets a new public job, answers to fair questions should be laid out for us all to see?

Esther McVey: As the hon. Member says, integrity is vital in this place and we all adhere to high standards. He will also know that there is an established regime in place for those declarations. The Foreign Secretary has adhered to those and, as he has said, he has just one job now, Foreign Secretary of the United Kingdom. He is very proud to have that job and to work with the Prime Minister to try to make sure our country is as safe and prosperous as possible.

Mr Speaker: I call the SNP spokesperson.

Kirsty Blackman (Aberdeen North) (SNP): Thank you, Mr Speaker. Please accept my apologies if my voice gives out part-way through my question; I will do my best. Our thoughts in the SNP are with Tony Lloyd's family, his constituents and all those feeling the pain of his loss today.

The Prime Minister and four Ministers, including the Foreign Secretary, hold their wealth in blind trusts or managements. The "Ministerial Code" says:

"Ministers must ensure that no conflict arises, or appears to arise, between their public duties and their private interests".

How can the public trust their politicians when that money is hidden from public scrutiny?

Esther McVey: I repeat that there are established regimes in place for the declaration and management of interests, and they are overseen by an independent adviser, who publishes reports twice a year.

Kirsty Blackman: I read the report that was published in December. Lord Cameron lobbied on behalf of the Chinese state's belt and road initiative, aiding the geopolitical and economic interests of the Chinese Government. The 49-day Prime Minister also sought to export defence equipment to China. If there is nothing to fear, there is nothing to hide. Will any new requirement be placed on UK politicians to disclose in full interests from foreign states, even when those are in blind trusts or managements?

Esther McVey: I refer the hon. Lady to the latest list of Ministers' interests, which was published on 14 December 2023 and included the relevant interests of all Ministers forming the Government as of 14 December 2023, including the Foreign Secretary. Our clear-eyed position on China remains unchanged and our approach of engaging directly and robustly with China in the UK national interest is the right one and is firmly in line with that of our G7 and Five Eyes partners.

Artificial Intelligence: Public Services

11. **Chris Stephens** (Glasgow South West) (SNP): Whether he has had discussions with Cabinet colleagues on the potential impact of the use of AI on the delivery of public services. [901033]

The Chancellor of the Duchy of Lancaster and Secretary of State in the Cabinet Office (Oliver Dowden): I discuss this area regularly with Cabinet colleagues. The Incubator for Artificial Intelligence, which I announced last year, will recruit experts from the private sector, academia and beyond, who will work with Departments to rapidly and responsibly develop new applications for artificial intelligence across Government, as part of radical plans to harness the potential of AI to improve lives and public services.

Chris Stephens: I join others in paying tribute to the great Sir Tony Lloyd; our thoughts and prayers are with his family today.

I thank the Minister for his answer. As the Government have started work on an artificial intelligence hit squad to eliminate civil service jobs and replace human labour, it is of urgent importance that they lay out the safeguards they will enact. The childcare benefit scandal in the Netherlands in 2021, where artificial intelligence baked in racial profiling that discriminated against minorities, highlights the necessity of strict controls and protections, so will the Minister reveal what steps they are taking to prevent the harmful use of artificial intelligence?

Oliver Dowden: It is not the case that this is about taking jobs off civil servants; it is to enable them to do their jobs better and more efficiently for the benefit of the public we serve in this place. In respect of the measures that we are taking to ensure that we follow best practice, the Government's Central Digital and Data Office is ensuring a high delivery of quality and regular testing of that software throughout all stages of development. In addition, there is a service assessment model, so we are taking a number of steps to ensure that we guard against the risks that the hon. Gentleman highlights.

Infected Blood Inquiry

12. **Samantha Dixon** (City of Chester) (Lab): What progress his Department has made on implementing the interim recommendations of the infected blood inquiry. [901034]

The Minister for the Cabinet Office and Paymaster General (John Glen): As I set out on 18 December, I am pleased with the progress that we have made in appointing an expert group to assist on technical detailed considerations of those recommendations. It was announced yesterday that the final report will be published on 20 May, and the Government are committed to updating Parliament on the next steps within 25 sitting days of publication.

Samantha Dixon: The publication of the final report into the infected blood scandal has yet again been delayed, causing dismay for hundreds of people, including some of my Chester constituents, who are still waiting for justice. In this matter, time is precious. The Government committed to introducing primary legislation early in the new year to enable the establishment of the compensation scheme. Given that the House has shown its majority support, will the Minister confirm that the Government will now get on with it?

John Glen: I take the will of the House very seriously. That vote was on 4 December as part of the Victims and Prisoners Bill, which will now be working through its next stage in the other place the week after next. I have been working with colleagues across Government to ensure that we are able to respond appropriately at that time.

Mr Speaker: I call Father of the House.

Sir Peter Bottomley (Worthing West) (Con): The House understands that it is the Minister's Department that has to co-ordinate government, and that is not an easy thing to do. Does he understand that Sir Robert Francis and Sir Brian Langstaff have made it absolutely clear that the final report will say nothing more about compensation? It is not just the victims of the infected blood scandal who matter; so do the families of those who have already died—they are dying as well. May I say, on behalf of the all-party parliamentary group on haemophilia and contaminated blood—I am sure that the right hon. Member for Kingston upon Hull North (Dame Diana Johnson) would say the same—that 25 days after the report is published in May is too long to wait? People want certainty and need support.

John Glen: I thank my hon. Friend for his empathy with the complexity of delivering this. I recognise the urgency, of course. That is why, over the recess, I had several meetings with officials. We are moving forward with the appointment of the clinical, legal and care experts. However, I recognise that his focus and that of colleagues across the House is on the speed of delivery of payments. Obviously, we made those interim payments further to the first interim report recommendations in October 2022. I will continue to have meetings with colleagues to move this forward as quickly as I can.

Personal Smartphones: Government Business

13. **Mr Alistair Carmichael** (Orkney and Shetland) (LD): What recent assessment he has made of the prevalence of the use of personal smartphones for conducting Government business by Ministers and officials. [901035]

The Parliamentary Secretary, Cabinet Office (Alex Burghart): The Cabinet Office does not hold data centrally regarding personal smartphone use. We are committed to ensuring that Government business is conducted securely and to supporting individuals in meeting their security responsibilities. In March last year, we published guidance concerning the use of non-corporate communication channels for Government business, which set out considerations around the use of private devices.

Mr Carmichael: I may be part of a very small and shrinking group, but I think it is sensible that Ministers, officials and advisers should be able to share their thinking and thoughts in private on occasion. However, the truth of matter is that the constant drip of stories—whether about Boris Johnson, Nicola Sturgeon or anybody else—and WhatsApp messages not being available to hold people accountable, is harming public confidence in government and politics. Will the Minister look again at this to see how we can have good, accountable and transparent government?

Alex Burghart: The right hon. Gentleman raised important points. I draw his attention to the document we published last year: "Using non-corporate communication channels (e.g. WhatsApp, private email, SMS) for government business". I think he will be particularly interested in the summary table on page two.

Honours System

14. **Duncan Baker** (North Norfolk) (Con): What steps his Department is taking to increase transparency in the honours system. [901036]

The Minister without Portfolio (Esther McVey): We have made a number of important changes to increase transparency. We have launched a new website and online form to make it easier for anyone to make a nomination. We have brought the recruitment of the independent honours committees, which make the honours recommendations, into line with the governance code for public appointments, and we have bolstered probity checks through new and renewed agreements with vetting bodies.

Duncan Baker: The Post Office scandal and Paula Vennells' handing back of her CBE has shone a real light on the need for more scrutiny and transparency in the honours system. Does the Minister agree that the vetting process—the scrutiny and transparency—is needed more than ever in our honours system to protect its integrity?

Esther McVey: I do agree. Given that my hon. Friend is a former sub-postmaster, I can fully understand why he feels so strongly about this matter; he is absolutely right to do so, and I thank him for all the work he has done for his fellow postmasters and sub-postmasters. It is important that we protect the integrity of the honours system, which is something to which this Government

are committed. We have undertaken a range of actions to strengthen checks, including expanding criminal record checks and working closely with regulators and other bodies to ensure full due diligence for all nominees.

Mr Speaker: I call the shadow Minister.

Nick Thomas-Symonds (Torfaen) (Lab): The right hon. Lady has just spoken about the integrity of the honours system, but the Government have failed to be transparent around the interests of Baroness Mone in the PPE Medpro contracts, where over £200 million was wasted. We have no answer from the Government as to why the links were not made public at the time; no answer as to why a Government Minister did not correct the wrong impression that had been given in public; and no answer in response to the allegation that the Government indicated a National Crime Agency investigation would be dropped if the civil claim was settled. Back on 18 December, Labour called on the Government to order an urgent investigation into this matter to give taxpayers the answers they deserve, but the Deputy Prime Minister has not even responded to the letter. Is the reason the Government are so afraid of an investigation that it will just show, once again, Tory sleaze?

The Parliamentary Secretary, Cabinet Office (Alex Burghart): We have responded.

Nick Thomas-Symonds: You have not responded.

Alex Burghart: Have you not had our letter?

Nick Thomas-Symonds: I have not had it.

Esther McVey: I will say from the Dispatch Box that the answer has been sent and given. If it needs to be reissued, we will do so, but it has been sent.

Baroness Mone has taken leave of absence from the Lords, and there are separate investigations into the allegations against her. In my mind, if she is found guilty of wrongdoing, she needs to resign membership of the Lords—the public would expect no less. The House of Lords Reform Act 2014 ensures that a Member convicted of serious offences will cease to be a Member of the House of the Lords, and that is what we want to see. We do not want people in Parliament who bring either House into disrepute: they need to leave.

Veterans' Skills

15. **Gerald Jones (Merthyr Tydfil and Rhymney) (Lab):** What discussions he has had with Cabinet colleagues on helping to ensure potential employers recognise veterans' skills and prior learning. [901037]

The Minister for Veterans' Affairs (Johnny Mercer): Veterans' employment is at an all-time high, with 87% of those leaving service finding employment within six months. We have recently launched the employers' guide to hiring veterans, showcasing best practice on how employers can benefit from veterans' skills and qualifications. I regularly champion veterans' employment to Cabinet colleagues, as employing veterans is one of the best decisions that businesses can make.

Gerald Jones: Is it not the case that, after 13 years of Conservative Government, Ministers have created a postcode lottery for veterans and halved employment support for them? Specifically, will the Minister tell the House how many veterans have been employed as a result of the civil service interview scheme for veterans?

Johnny Mercer: When it comes to veterans' care in this country and how it has changed in the past 13 years, it is hard to take the hon. Gentleman seriously—those services have been transformed. The number of those employed through the civil service scheme is, I believe, over 1,000, but I will write to him with the correct figure. Having a job is the No. 1 factor that improves the life chances of any veteran in this country; it is the real focus of what we are doing at the Office of Veterans' Affairs, and I am incredibly proud of those efforts. Again, I lament the fact that that is not reflected by Labour. I want to see that change as we go into the next election, so that veterans know that whoever wins it, their interests will be represented properly.

Topical Questions

T1. [901038] **Ashley Dalton (West Lancashire) (Lab):** If he will make a statement on his departmental responsibilities.

The Chancellor of the Duchy of Lancaster and Secretary of State in the Cabinet Office (Oliver Dowden): This week, I signed an agreement on biological security between the United Kingdom and the United States. This strategic dialogue will mean sharing more data, collaborating on research and co-ordinating action, preparing for a whole spectrum of biological threats. I also signed a memorandum of co-operation on cyber partnership with Japan, helping to fulfil a key element of the Hiroshima accord.

This week, the Government are making available a free portrait of His Majesty the King. Available to all public buildings, this portrait will hang in schools, police stations and local authorities, serving as a reminder of the country's ultimate public service. I am sure the whole House will wish to join me in wishing His Majesty the King and Her Royal Highness the Princess of Wales very swift recoveries.

Ashley Dalton: It emerged this week that Avanti West Coast bosses were recently caught giving PowerPoint presentations bragging about receiving free money from the Government. Is this value for money?

Oliver Dowden: I am not aware of those allegations, but they sound very concerning and I am very happy to look into them on behalf of the hon. Lady.

T2. [901039] **Dr Luke Evans (Bosworth) (Con):** Last year, the Government trialled their emergency alerts system. This summer, I had the joy of going to South Korea. Unfortunately, I was caught up in the typhoon, but there were many such alerts telling people where roads were closed or flooded. Recently in Leicestershire, the likes of Shenton and Witherley came under the cosh of flooding, and my constituents are wondering whether the alert system could be used for something like this, as the Government website states that it can.

Oliver Dowden: Yes, the service is available, but it is up to local responders to determine whether to put in a request for it. In this case, they did not do so. I would commend the local responders—whether the Environment Agency, the police or the fire service—for their response. That tool is available to them should they need it.

Mr Speaker: I call the shadow Minister.

Mr Pat McFadden (Wolverhampton South East) (Lab): I echo the condolences that have been given to the family of Tony Lloyd.

Further to the question about flooding, yesterday the Public Accounts Committee said that over 200,000 properties in England were vulnerable to flooding, and the budget for flood protection is now expected to cover 40% fewer properties than the Government originally said it would. We have seen the devastation that flooding can do in recent weeks and the terrible consequences for those affected. Given the Cabinet Office's responsibility for resilience, can the Secretary of State explain why the plan is so far behind schedule and what the Government will do to protect the 200,000 properties that may now be left without adequate flood protection?

Oliver Dowden: As the right hon. Gentleman highlights, the Cabinet Office has responsibility for resilience under a lead Government Department model, but the Department for Environment, Food and Rural Affairs is responsible for individual flood defences. We have put record sums into flood defences and we have provided record flood defence building. Clearly, there is more to do to allocate those resources, but we have made considerable progress.

Mr McFadden: This week, Gareth Davies, the head of the National Audit Office, said that Ministers could save up to £20 billion a year of taxpayers' money by modernising IT systems, tackling fraud and better management of major projects such as HS2. He also said that out-of-date IT exposes the UK to a greater risk of cyber-attacks, and we have heard reference this morning to the cyber-attack on the British Library. Why is it that time after time, the Government reach for tax rises—such rises will leave a typical family paying £1,200 a year more in tax—instead of saving money by getting a grip of these IT projects and major infrastructure projects, as has been called for by the National Audit Office?

Oliver Dowden: That is precisely why we have created i.AI—the Incubator for Artificial Intelligence—under my leadership to make sure that we apply artificial intelligence to drive down the cost of public services and to improve outputs. I say gently to the right hon. Gentleman that it is a bit rich to be taking lectures from the Labour party, which wasted over £26 billion when it was in government on failed IT projects—failed IT projects in the NHS, the Ministry of Defence and DEFRA. And where was the right hon. Gentleman? He was sat in Downing Street while that happened.

T6. [901044] **Harriett Baldwin** (West Worcestershire) (Con): May I first associate myself with the Deputy Prime Minister's words about the royal family?

On 23 February, this House has the opportunity to correct the constitutional sexism that means that one eighth of the seats in the other place are reserved for

men only. Will the Government support and work with me on my Hereditary Titles (Female Succession) Bill to ensure that the succession of peerages moves in line with that of the Crown?

The Parliamentary Secretary, Cabinet Office (Alex Burghart): I thank my hon. Friend for her question and the work she has done in this area; I know she has thought about it a great deal. I will be writing to her in due course. It is a complicated area of constitutional law, but we appreciate the position from which she is coming.

T3. [901040] **Mr Tanmanjeet Singh Dhesi** (Slough) (Lab): In light of the shocking revelation that only 2% of the tip-offs received by the Government's covid fraud hotline are being actively pursued, can the Secretary of State explain to an increasingly despairing nation what steps the Government are taking to recover every single penny of that fraudulently claimed taxpayer money?

Oliver Dowden: That is precisely why we set up the Public Sector Fraud Authority and I can update the House that in its first year it met more than double its target. In addition, there are both civil and criminal investigations ongoing to bring every person responsible to justice if they have defrauded the taxpayer.

Dame Caroline Dinenage (Gosport) (Con): My constituency boasts the highest number of veterans of any in the UK, with about 12% of people having served, but the veterans agency is not assisting me and other MPs like me in serving my constituents, because when I raise issues with it, it insists on responding via ministerial correspondence from the Ministry of Defence. There can therefore be no direct interface with it, making it very time-consuming and frustrating for my constituents. Will the Minister get the veterans agency to introduce an MPs helpline so that veterans' concerns can be answered quickly and efficiently?

The Minister for Veterans' Affairs (Johnny Mercer): I believe my hon. Friend is referring to Veterans UK, which is being retired because I am well aware of the plethora of issues. We have staff there who work incredibly hard but with very poor resource, and consequently the experience of veterans has not been what I want it to be. We are retiring that brand and completely revamping those services—I take on board the point about an MPs hotline, which exists in other Departments. I can confirm that we are looking to establish the same thing in the new organisation to meet these claims.

T4. [901041] **Chris Stephens** (Glasgow South West) (SNP): Given the Paymaster General's answers to colleagues earlier, may I remind him that Sir Brian Langstaff said yesterday that compensation proposals were published in April 2023 and must be dealt with urgently? Can he confirm that Sir Brian Langstaff's proposals are being accepted by the Government in full and that there will be no watering down of the decision of this place when the other place discusses the Victims and Prisoners Bill?

The Minister for the Cabinet Office and Paymaster General (John Glen): The next stage of the Victims and Prisoners Bill in the other place will be the week after next, and that is where the Government will make clear their response to what the Commons has decided. As

I said to my hon. Friend the Member for Worthing West (Sir Peter Bottomley) a few moments ago, the issue of further interim payments will need to be considered in the round as the Government consider the recommendations of the second interim report. We are very aware of the urgency of this. However, as I am sure the hon. Gentleman will understand, there is a lot of complexity with respect to the different cohorts and we are working on those as rapidly as we can with the experts now in place.

Duncan Baker (North Norfolk) (Con): Ending veteran homelessness and rough sleeping has been an absolute passion of the veterans Minister. Can he give us an update on how this is faring after the festive period?

Johnny Mercer: We made a commitment that this Christmas we would end rough sleeping for veterans in the UK because of a lack of provision, and we met that promise. We housed 407 of the most desperate, most vulnerable veterans across the UK and I am incredibly proud of that. The charge towards ending all homelessness across the UK is clearly something we are all engaged in, but I am incredibly proud of the team at Op Fortitude. I pay tribute to Lee Buss-Blair and the Riverside Group who worked throughout Christmas to achieve that objective. It is a fantastic base to build from and I look forward to the day when these services are no longer required.

T5. [901043] **Helen Hayes** (Dulwich and West Norwood) (Lab): This week, the head of the National Audit Office told Parliament that between £4 billion and £8 billion of annual efficiencies could be achieved by better use of competition. When so many areas of our public services are on their knees and would benefit from that funding, can the Secretary of State set out what steps he is taking to stop this colossal waste of taxpayers' money?

Alex Burghart: Better competition and better procurement are at the heart of the Procurement Act 2023, which the hon. Lady will have seen go through the House of Commons and the House of Lords last year. The Act creates a world-leading framework for the good use of public money in acquiring goods and services.

T7. [901046] **Jessica Morden** (Newport East) (Lab): As others have said this morning, every week victims of the contaminated blood scandal will die as we wait for the final report. We know the will of the House on this. Why do constituents have to wait any longer for the compensation scheme? Yes, it is complex, but the Government have been repeatedly challenged on getting on with this and they are still not doing it. We need it urgently.

John Glen: As I have said, if the House of Commons has indicated its will by the amendment, that piece of legislation moves to the House of Lords and the Government will respond at that point. That is the week after next. That is the process of the House. I have recognised the need to ensure that we get the clinical, legal and care experts in place. They are in place, and they are working on some of the complex issues the hon. Lady alludes to. The psychological support is now in place, but I am doing everything I can in every dimension of this complicated problem to deliver as quickly as I can.¹

Florence Eshalomi (Vauxhall) (Lab/Co-op): I have just listened to the Minister's response, and I appreciate

that the situation is complex, but people are dying. My constituent contacted me earlier this week. He has renal failure and cirrhosis of the liver. He wrote asking for "faster resolution to the infected blood scandal compensation before it is too late for myself and others to see full and final resolution".

It might be too late for my constituent—he cannot wait two more weeks—but can the Minister outline how many people have received interim payments and how many are still outstanding?

John Glen: A large number of payments were made available quickly in the last quarter of 2022. I fully recognise the absolute tragedy that this is. Every death is a tragedy. This is the biggest scandal in the NHS's history. I recognise and acknowledge that. The victims' organisations said that there were 141 deaths last year, and I am doing everything I can to find solutions as quickly as possible.

Dame Meg Hillier (Hackney South and Shoreditch) (Lab/Co-op): Arm's length bodies across Government spend more than £200 billion a year, and my Committee has been looking at that issue. The Government launched the public bodies review programme as part of their latest drive to look at quangos, but there is little in the public domain. Will the Minister commit to publishing the review of individual quangos as it goes through? What will the final publication date be for the outcome of the review?

John Glen: In the spring statement in March 2022, the review of public bodies was announced, as the hon. Lady knows. That will give us significant savings. There are 125 arm's length body reviews, covering 90% of arm's length body expenditure. Honestly, I am not familiar with the exact protocols around publication, but I am happy to look into it, and I will come back to her.

Andrew Bridgen (North West Leicestershire) (Ind): In 2012, the Cabinet Office rejected my request that it fund the forensic investigation into the Horizon IT system by Second Sight. Indeed, the Cabinet Office insisted that the Post Office pay for its own investigation, which ultimately allowed the Post Office to try to control and coerce the lead investigator Ron Warmington, thus delaying justice for the sub-postmasters. Will the Minister look into the reasoning behind this historic decision and write to me about it, please?

Alex Burghart: I am happy to do that.

Jim Shannon (Strangford) (DUP): What discussions has the Minister had with the Police Service of Northern Ireland's cyber protect team in relation to learning the hard lessons that have arisen from the numerous data breaches of office information across the PSNI and throughout the United Kingdom?

Oliver Dowden: This was an appalling incident, as the hon. Gentleman knows, and it highlighted big flaws in how data is handled in respect of freedom of information requests. We have issued further guidance on how such requests should be handled, but I continue to work with officials in my Department and across Government to make sure that that sort of incident never happens again.

1. [Official Report, 5 February 2024, Vol. 745, c. 2MC.] (Correction)

Mr Speaker: That completes Cabinet Office questions, and we will soon be going on to the next set of questions. As I said, next week we will be paying tribute to our friend Tony Lloyd following his tragic death, but I have

no doubt that the shadow Leader of the House, who took over his previous seat, will have a comment to make. I am just watching the clock tick down—we are nearly there.

Business of the House

Mr Speaker: We head now to business questions. I call the shadow Leader of the House.

10.30 am

Lucy Powell (Manchester Central) (Lab/Co-op): Beautifully done, Mr Speaker. May I ask the Leader of the House for the business for next week?

The Leader of the House of Commons (Penny Mordaunt): The business for the week commencing 22 January will include:

MONDAY 22 JANUARY—Second reading of the Offshore Petroleum Licensing Bill.

TUESDAY 23 JANUARY—Opposition day (3rd allotted day). Debate on a motion in the name of the Official Opposition, subject to be announced.

WEDNESDAY 24 JANUARY—General debate on Defence and International Affairs.

THURSDAY 25 JANUARY—General debate on Holocaust Memorial Day. The subject for this debate was determined by the Backbench Business Committee.

FRIDAY 26 JANUARY—Private Members' Bills.

The provisional business for the week commencing 29 January includes:

MONDAY 29 JANUARY—Second reading of the Trade (Comprehensive and Progressive Agreement for Trans-Pacific Partnership) Bill [*Lords*].

TUESDAY 30 JANUARY—Remaining stages of the Media Bill.

Lucy Powell: I thank the Leader of the House. I want to start by paying my own tribute to my dear and hon. Friend Sir Tony Lloyd. The words spoken about Tony since his passing yesterday, which have come from across this House and the political divide, really are a reflection of the special person he was. He was kind, sincere and driven by his deep values and principles. He worked with everyone necessary to further a cause, and always with integrity and humanity.

Tony was also my predecessor as MP for Manchester Central. As I said many years ago in my maiden speech, he was a brilliant man, first elected in 1983, serving Stretford and then Manchester Central for 29 years before being elected as police and crime commissioner for Greater Manchester. He then returned to Parliament to serve the people of Rochdale from 2017. He was an incredibly hard act to follow; I still often find myself in his shadow. For the first few years, I had to accept the frequent complaint that I just was not as good. Some of my constituents still say, "You're no Tony Lloyd, are you?" He was a proud Mancunian—but we did disagree on football as he was a long-standing season ticket holder for United.

We all knew what Tony stood for and the causes he held dear and tirelessly campaigned for, but in all the years I knew him I cannot remember ever hearing him raise his voice. He went about his politics differently. For him, politics was all about relationships and discussion, whether in this place, internationally, on the street or in his beloved pub. That is what earned him so much loyalty from everyone who knew him—because he was such a thoroughly nice bloke. My thoughts are with his family, his friends and his staff at this difficult time. [HON. MEMBERS: "Hear, hear!"]

Tony was not afraid to champion little-heard or unpopular causes, such as his campaigning on mesothelioma. One of his last acts just this week was to join more than 100 Members and peers and my right hon. Friend the Member for Kingston upon Hull North (Dame Diana Johnson) in calling for urgent action on infected blood compensation. We have raised that issue many times in business questions, but given Sir Brian Langstaff's statement, which was issued yesterday, it needs raising again. I just heard questions on it during Cabinet Office questions.

Sir Brian, the chair of the inquiry, has unfortunately delayed publication of the final report until May. However, he also made it absolutely clear that his final report on the compensation scheme has already been published—in April last year—and that that aspect of the inquiry and its findings will not change. Given that, may I ask the Leader of the House once again to arrange for a statement from the Cabinet Office on establishing the compensation scheme? She and the Government cannot keep hiding behind the final report or complexity when the chair has made it crystal clear that his recommendations on the scheme are now published. I must say that the answers I heard in Cabinet Office questions just were not good enough. They felt like dodging, unfortunately, yet the will of the House is clear on this subject.

This week I happened upon an article by the Leader of the House in *The News Portsmouth*, bemoaning the fact that nothing seems to work anymore. It was remarkably similar to a big speech she made a year ago this week to the Institute for Government, making similar arguments that ordinary people feel the system is rigged against them. I agree with her and, after the Post Office scandal, I am sure many others do, but it left me wondering what her Government are doing about it, and who she thinks is responsible. In a week when Avanti is bragging about "free money" from the taxpayer while rail passengers suffer poor services, whose responsibility does she think that is? In a week when the National Audit Office warned that the Government are wasting tens of billions of pounds on crumbling infrastructure and badly run projects, whose responsibility does she think that is?

The Leader of the House says that she wants to focus on improving the quality, accountability and accessibility of healthcare, so in a week when it has been reported that the NHS is spending a staggering £10 billion a year on agency staff, whose responsibility does she think that is? Whose responsibility is it that millions of people are waiting longer for treatment and cannot access a GP? Before she embarrassingly blames doctors or Welsh Labour for the problems of the English NHS, will she be honest about her Government's terrible record, and tell us what she is doing to fix it?

Penny Mordaunt: The whole House will soon have an opportunity to pay tribute to our late colleague Tony Lloyd. People may not know, and the hon. Lady may not have had an opportunity to do that, so I thank her for her tribute today. Let me place on record my deepest sympathies for all who loved him. The tributes paid to him already illustrate his gentle and kind nature, and the breadth and depth of his public service. As the hon. Lady testified, he was still doing that right up until the end.

I also thank the families of those held hostage by Hamas for again coming to Parliament this week to talk about their loved ones. We will all keep them at the

[Penny Mordaunt]

forefront of our minds and do all we can to bring them home. I remind the House that Kfir Bibas turns one today in captivity. I also wish both His Majesty the King and Her Royal Highness the Princess of Wales a speedy recovery.

I thank the hon. Lady for again raising the important issue of infected blood. This session follows Cabinet Office questions, in which a number of things were placed on record both by the Paymaster General and by Members. I again remind the House that the compensation study was established acknowledging the moral case for compensation, that the study should be concurrent to the inquiry, and that the inquiry and the study could make reference to each other. The reason for that was to ensure that we could arrive as swiftly as possible at a compensation package for all those affected by this appalling scandal. I do not disagree with any hon. Member who believes that we should not have to wait.

As the co-chair of the all-party parliamentary group on haemophilia and contaminated blood, my hon. Friend the Member for Worthing West (Sir Peter Bottomley), said in the Cabinet Office questions, the Government now have all the information to arrive at a compensation scheme in those inquiries, which is why the Paymaster General is making progress on exactly that. We are acutely aware of that moral imperative and what both the study and the inquiry have said on this matter so far. This House has also been clear in its desire to see that appalling scandal resolved quickly. I refer the hon. Lady to what the Paymaster General just said at the Dispatch Box with regard to legislation, but I am kept regularly informed of progress that he, the Treasury and other Departments are making on this matter. I expect more news on that important point in the coming weeks.

The hon. Lady referred to my article, and I thank her for the publicity. I argued that we should ensure that the consumer is king again. We have some challenging new monopolies—the natural monopolies of water companies—and the online giants, and we need to ensure that the customer is king. That is what the Government have been doing, through our legislation to improve competition and the work we are taking forward with regulators on a whole raft of things, from energy bills to other consumer issues. We can do because we have a plan. We have a plan on all the issues facing the public.

I expect praise from those on my own Benches, but I was much encouraged at the praise we heard yesterday from the Opposition Benches. One Labour Member, the hon. Member for Putney (Fleur Anderson), was urging a focus on reducing the backlog and ending hotel use. She said:

“The Conservatives started this work by employing some temporary new officers and it started to work”.

She went on:

“The Tories have also started smashing the gangs through the work they are doing in France.”—[*Official Report*, 17 January 2023; Vol. 743, c. 972.]

She was right. On that priority, she could have added that crossings are down by 36% this year, the Albanian returns scheme has seen a 93% fall in arrivals, and we have dismantled, alongside the French, 82 organised criminal gangs. We are making progress on that and other areas. The health statistics announced show that the waiting list figures the hon. Member for Manchester

Central (Lucy Powell) mentioned are coming down. These are not easy problems, particularly because of the recovery from the pandemic and the global situation on prices and supply chains, but we have a plan and we are methodically working through it with zero assistance from the Labour party.

On any issue and priority, we are sticking to that plan. The reason we can do that and are not being blown off course is that we have some principles backing it up. Unlike the Labour party, we understand our duty to the people of this country, whether that is setting up inquiries into infected blood and the Horizon scandal, or on the people's priorities, which are also the Prime Minister's five top priorities. We have never wavered in our duty to the people of this country. We have never wavered in our support to protect our country's borders and protect the defence of the realm, unlike the hon. Lady's party which has six current shadow Cabinet members who voted against our continuous at-sea deterrent. We are working to strengthen our borders and stop the boats. The Labour party has voted consistently against that legislation. We believe in supporting minimum service standards on vital public health services, including health and transport. Labour has opposed that. And we have taken tough decisions on helping the economy, including controlling borrowing, which is why inflation is down by 60% since October and the Office for Budget Responsibility forecasts inflation falling to 2.8% this year. Labour's stated policy on fiscal rules and spending means that it will have to raise taxes if it wants to stick to those fiscal rules, but it has not said what and when.

On all those things, we have a plan and it is working. We are going to stick to it, despite what the Labour party is doing. Labour has no plan, just a big fat bill for taxpayers.

Mr Speaker: I call the Father of the House.

Sir Peter Bottomley (Worthing West) (Con): I agree with a great deal of what the shadow Leader of the House, the hon. Member for Manchester Central (Lucy Powell) said about Tony Lloyd, and I agree with much, if not all, that my right hon. Friend the Leader of the House said on party politics, having a plan and delivering for the British people.

Next week, the Select Committee on the Holocaust Memorial Bill continues its hearings. It had three sessions this week and transcripts can be made available in the Vote Office. One issue that comes up is the Government's continued failure to publish the minutes of the UK Holocaust Memorial Foundation from 2015 to 2016. There was a consultation on a site for the proposed memorial and learning centre. The consultants analysed the responses and shortlisted three. Two days later the Government produced an alternative option, which was Victoria Tower Gardens.

No one outside the Department has seen the comparisons between the merits of Victoria Tower Gardens and other possible sites. No one has seen the minutes of discussion changing the specification behind the backs of the public. Will my right hon. Friend look to see the redactions made by the Department for Environment, Food and Rural Affairs and why it is continuing to instruct lawyers to oppose the freedom of information request, which is vital to the work of the Select Committee? Through her, may I recommend to the Select Committee asking for that information and making it public?

Mr Speaker: I presume that the Father of the House is asking for a debate on the matter as well.

Penny Mordaunt: I know that this issue, which my hon. Friend raises almost weekly, is of great concern to him, and that he wants to ensure that the final outcome of the process is as good as it can be. I will again make sure that the Secretary of State for Levelling Up, Housing and Communities has heard what he has said. The next session of questions to the Secretary of State will be on 22 January, and my hon. Friend may wish to raise the matter with him directly. This is the kind of information that should be in the public domain, so that people can make good decisions, although on some matters—relating to security concerns, for example—it may be sensible to redact.

Deidre Brock (Edinburgh North and Leith) (SNP): Let me start by associating myself with all the remarks about Tony Lloyd, whom I always found to be a very good and decent man.

Once again, I am indebted to the Leader of the House. Her eccentric video last week, in which she joked about Tupperware and the Stone of Destiny, excited quite a response in Scotland. “Why is she always on about Scotland?” people ask. The Tories have given us a joke Minister for common sense, and now it looks as if we have a Minister for clickbait.

Scotland does seem to be just a big joke for the Leader of the House. The brief seems clear: to rubbish and insult Scots every week during business questions. Of course she is not alone—this seems to be Tory policy nowadays—but she is adding value now by producing full-page articles in the papers about how awful Scotland is, along with a new clickbait video every week. All that effort, Mr Speaker! Although, given the very bad news for her party in this week’s YouGov poll, perhaps these joke videos are in fact auditions. Perhaps it is not so much “stand up and fight” as stand-up comedian.

Meanwhile, the record of the right hon. Lady’s own Government is absolutely nothing to joke about, with destitution rising, doctors on strike crippling the English NHS, sea coasts foul with pollution, inhumane treatment of asylum seekers and the breaching of international law, unresolved scandals piling up, and the crushing impact of one of the worst Tory jokes of all, Brexit. But before we are treated to—oh, I don’t know, perhaps an attack on the Scottish Government and praise for the bullish actions of the zombie Scotland Office—let me say this. Surely Scotland can find a better use for—what is it now, over 12 million quid?—than funding that ever-expanding propaganda unit beavering away behind the scenes, undermining the work of the Scottish Parliament and, of course, assisting the Leader of the House with her scripts each week.

Closer to this place, however, we have the Westminster joke of the other place, with its 860 or so ermine-clad peers but one notable absentee. The right hon. Lady’s Scottish Tory friend and colleague Baroness Mone is currently not a sitting Member, because she has taken leave of absence by her own choice. It is being reported in the *Daily Record* that Baroness Mone claims she is still a Conservative as far as she is concerned, because she never had the Whip removed. Can the Leader of the House confirm that if Baroness Mone resumes her position in the other place tomorrow, as I believe she is entitled to do, she can sit as a Conservative? If not,

exactly when was the Whip removed? Can the Leader of the House make time to answer that question before reading out this week’s hilarious clickbait script?

Penny Mordaunt: The hon. Lady should thank me. I have been giving her publicity that money cannot buy, and I think it is encouraging that we have generated such a following and such an interest in what goes on in the Chamber during business questions. Let me make it clear to the hon. Lady that I am not talking Scotland down. I am talking the Scottish National party down, because it has been an unmitigated disaster for Scotland. The stoicism of the Scottish people in dealing with their inept Government deserves great credit.

Each week the hon. Lady talks about our record on delivery and invites me to make the comparison with the Scottish Government. I shall try to do so this week without mentioning the appalling record of the SNP Government, and just invite people to contrast our record with theirs.

In the UK, we have the largest rail infrastructure investment since Victorian times. We have massive regeneration projects across the UK. More than 1,000 miles of major roads have been refurbished; compare that with the A9, please. We have 20 times as much offshore wind capacity as we had when we entered office. Eighteen million households have full-fibre broadband. How is the Scottish Government’s broadband rollout going? Then there are our hospitals, mental health facilities, 50 new surgical hubs, new nuclear power stations and record investments in home and flood defences, and in the coming financial year our research and development spend will be about £20 billion.

In 2010, the strategic defence and security review greenlit a couple of aircraft carriers and, six years later, one was commissioned. That complex 65,000-tonne warship was built through the carrier alliance, a wonderful example of the UK supply chain working together. After the same six-year timeframe, the SNP is still building a couple of ferries, which are £308 million over budget. For context, the overspend is three times the original budget, and I now understand that these pioneering green vessels will run on diesel.

The SNP Government have been an unmitigated disaster for Scotland. They have been found out. They are incapable and incorrigible, and now they are in trouble.

The hon. Lady’s final question is a matter for the House of Lords, not the House of Commons.

Sir Christopher Chope (Christchurch) (Con): The Parliamentary Assembly of the Council of Europe will be meeting in Strasbourg next week, which means that Members on the UK delegation will not be here for the tributes to Tony Lloyd. He was latterly an effective and diligent member of that Assembly, and I hope we will be able to pay our tributes in Strasbourg. We miss his charm and humanity. As a fellow Member who first entered this House in 1983, I had the privilege of knowing him for a very long time.

Will the Leader of the House initiate a debate on the effectiveness or otherwise of integrated care boards? The rationale for the boards was to deal with the interaction between health and social care and to reduce the incidence of bed-blocking. Last week we heard that no fewer than 353 hospital beds in Dorset are occupied

[*Sir Christopher Chope*]

by people who do not need them, at a cost of over £100,000 a day, let alone the opportunity cost of missed operations and so on. This is intolerable and shows that the system of integrated care is not working. Can we have a debate?

Penny Mordaunt: I thank my hon. Friend for putting on record his beautiful tribute to Tony Lloyd. It would be wonderful if such tributes could also be heard in Strasbourg.

My hon. Friend is right that it is vital that commissioners are held to account. Our NHS will not function properly without accountability and choice. The former Secretary of State for Health and Social Care, my right hon. Friend the Member for North East Cambridgeshire (Steve Barclay), undertook work on patient outcomes data and the quality of commissioning in each board and across the UK, which will help to drive accountability. Now that we have that data, I am sure it will make for a very interesting debate. My hon. Friend knows how to apply for a debate, and he may also wish to raise this matter with the Secretary of State on 23 January.

Mr Speaker: I call the Chair of the Backbench Business Committee.

Ian Mearns (Gateshead) (Lab): I add my condolences to the family and friends of Tony Lloyd. Last night, in the local I frequent in Kennington, Tony was remembered with great fondness by the regulars. The manager, who is also a friend of mine, asked me to make it known that he really respected, loved and missed Tony Lloyd. He will be missed by all in the House. He was probably the nicest Manchester United supporter I have ever come across.

I thank the Leader of the House for announcing the business for next week and the Backbench Business debates for Thursday. There will also be a Select Committee statement from the Procedure Committee on Commons scrutiny of Secretaries of State in the House of Lords. If we are allocated time on Thursday 1 February, we have lined up two debates, one on miners and mining communities, and one on freedom and democracy in Iran.

We are approaching the tabling of supplementary estimates, and the Backbench Business Committee will soon publish information on the application process for a day of debates in the Chamber. The Committee is keen to receive applications for Westminster Hall debates, particularly for Thursdays.

I apologise to the Leader of the House, because last week I raised the subject of the Tyne bridge, which I raised again at Prime Minister's questions yesterday, but it is a matter of urgency and I will quickly explain why. The Tyne bridge and its surrounding buildings are the furthest inland nesting place for kittiwakes. If we do not get the work started before the kittiwakes return from their wintering, it will become increasingly difficult because it will mean disturbing kittiwake nests. We do not want to do that, so we want to get on with the work. There is urgency from an environmental perspective, but also from a financial perspective. The work really needs to be started as soon as possible. I thank the Leader of the House for writing to the Department for Transport on my behalf last week, but I would like her to understand the urgency of why we need to do that.

I apologise, Mr Speaker, that I miss next week's business questions, as I will be on Select Committee business.

Mr Speaker: Priorities, of course.

Penny Mordaunt: I thank the hon. Gentleman for his very helpful advert to all Members for forthcoming debates. I will ensure that the Secretary of State for Environment, Food and Rural Affairs has also heard the hon. Gentleman's concerns about the bridge and, again, I will ask the Department for Transport to lean in.

Dame Caroline Dinenage (Gosport) (Con): May I add my tribute to Tony Lloyd? He was a good man, who never underestimated or undervalued the extreme power of kindness.

The Leader of the House will have seen last month's judgment in the case of the Duke of Sussex v. Mirror Group Newspapers Ltd, which records that witnesses for MGN accepted that, in 2007, the Culture, Media and Sport Committee was misled by the then executives at *The Mirror* trying to conceal the illegal and unlawful activities that were going on. The individual accused of misleading the Committee died in 2022. Does the Leader of the House agree that any attempts to mislead Committees are unacceptable, but especially those by media organisations, from which the public and Parliament expect honesty and integrity? Will she commit to keep the important issue of Select Committee powers under review, so that Committees such as mine can continue to operate without obstruction?

Penny Mordaunt: I thank my hon. Friend for her question. The powers and privileges of this House are necessary to enable Parliament to function freely and fully, and it is vital that Select Committees are able to obtain full and accurate evidence from witnesses as part of their inquiries. That is critical. The powers available to this House and Select Committees have been under continual review, and they have been investigated numerous times in the past decades. It is, of course, very frustrating when witnesses do not co-operate with Select Committees, and the Government support this House in asserting its powers to ensure that it can scrutinise effectively.

Wera Hobhouse (Bath) (LD): May I say how sad we on the Liberal Democrat Benches are that Tony Lloyd has passed away? I was a councillor in Rochdale when Tony became the first police and crime commissioner in Greater Manchester. He was such a decent man, and a sincere politician and public servant.

Warm and comfortable homes are crucial to reach net zero and reduce energy bills. People should be encouraged to invest in energy-saving measures, but a complicated certification landscape means that it is difficult to find qualified and reliable installers. A review of this issue has been recommended by the Competition and Markets Authority and supported by Which? Can we please have a debate in Government time on consumer protections in the green heating and insulation sector?

Penny Mordaunt: I thank the hon. Lady for her very important question. The Competition and Markets Authority is doing important work in a number of areas, and that is one of them. We have had announcements

on petrol retail, for example, in the last week. I shall certainly make sure that the Secretary of State has heard her concerns about that particular area.

Damien Moore (Southport) (Con): Southport pier was a significant feature of our town's life for over 163 years until it was closed by Sefton Council in December 2022. Given the significance of piers to many towns around the country, particularly because of the economic impacts that they can have, will my right hon. Friend agree to have a debate on how can they be restored and maintained for future generations?

Penny Mordaunt: The Government recognise the importance of these often much-loved heritage assets. That is why part of the coastal communities fund was there to renovate heritage buildings, particularly piers and lidos, and we have done that. We have renovated an enormous number of those types of structures across the UK.

Even sadder than the pier closing is the fact that it received £2 million through the coastal communities fund and only a few years ago underwent a £2.7 million enhancement. There are questions about the use of that public money and what my hon. Friend's local authority is doing.

Alex Cunningham (Stockton North) (Lab): I want to alert the Leader of the House to action by a private security firm on the Wynyard estate in my constituency to stop legitimate political campaigning. There are thousands of homes on the estate, but Chris McDonald, who I hope will succeed me as the Labour MP for Stockton North, was ordered to leave the area by guards. He was told that they did not allow cold callers, and that was how they categorised Labour activists. The Leader of the House will recognise that as anti-democratic, denying thousands of people the right to hear from those who seek to represent them. I would be obliged if she could use her offices to investigate the silencing of politicians, and make it clear that people of whatever political colour should not be stopped carrying out perfectly legal activities.

Penny Mordaunt: I will certainly ensure that the Cabinet Office has heard about that case. I think there is sometimes a misunderstanding about the function of local councillors and Members of Parliament when they go door to door, trying to identify issues. There are certain areas in local authorities, particularly those with a high volume of quite vulnerable people, where cold calling zones are in place. That is perfectly proper. I will certainly raise the matter with Ministers, but I also encourage Members to address such issues directly and locally. Often these things are misunderstandings. If people say what their business is in a particular area, hopefully such incidents will not arise, but I will ensure that Ministers have heard the hon. Gentleman.

Martin Vickers (Cleethorpes) (Con): May I add my words of condolence to the family of Tony Lloyd? I served with him on the International Trade Committee. He always made a valuable contribution and will be sadly missed.

The RAC recently published a report calling on the Government to commission an independent inquiry into headlight glare. Members will be aware that headlights

on vehicles are now much brighter, with LED lights. In my constituency, the local paper the *Grimsbey Telegraph* has carried a report on the issue, which is clearly of concern to many of my constituents. May we have a statement from a Transport Minister about whether the Government intend to commission such a review?

Penny Mordaunt: I thank my hon. Friend for raising this important matter. I know it is of concern to many people, which is why the RAC has highlighted it. He will know that in the current provisions for vehicle headlamps there is a maximum and minimum light intensity, and specifications for the light pattern and the position of the lights on the vehicle. This is a highly regulated area. My hon. Friend can raise the matter directly with the Secretary of State on 8 February, but I will ensure that he is aware of the survey and what the RAC has said. I thank my hon. Friend for his campaign.

Clive Efford (Eltham) (Lab): I will be here to pay tribute to my friend Tony Lloyd at the appropriate time.

The Hillsborough inquiry, the Post Office Horizon scandal, Windrush, contaminated blood, and LGBTQ veterans have all been the subject of reports, and they are all examples of how the state treats working-class people when it should be there to support them. Victims of the last three of those scandals—Windrush, contaminated blood and veterans—are still waiting for their compensation to be sorted out and for the outcomes of the reports to be enacted. Can we have some form of cross-party arrangement whereby we can all come to an agreement on how we should respond to the reports and treat those people with the dignity to which they are entitled? The Government are just obfuscating and kicking the can down the road. We know that we are at the fag end of the Government, but these things need dealing with now. Why can we not have some co-operation to bring matters to a conclusion for those people?

Penny Mordaunt: In last week's session, I spoke about many of the inquiries and issues that the hon. Gentleman raises. I am proud of this Government's record in bringing forward, for the first time in some instances, inquiries into such matters and in making public apologies on behalf of the state about some of those issues. I will not repeat what I said earlier about the legislation and progress on infected blood, but I will repeat the statement with which I ended my evidence to the infected blood inquiry about why the inquiry is so important, not just to a comparatively small group who have been affected or infected, but to all of us, because it could have been any one of us—anyone in the country could have been affected.

How the state responds to such matters is incredibly important and we all want to see justice done. Last week, I wrote to the Cabinet Office about how we could learn lessons from the series of inquiries we have set up. I know that the Paymaster General is in regular touch with the all-party groups that are primarily concerned with the issues the hon. Gentleman raises, and with the right hon. Member for Kingston upon Hull North (Dame Diana Johnson). In addition, many people in the House and other stakeholders are engaged in consultations and providing their input.

We are determined to get these long-running injustices resolved; that has been our visible track record. When I was Paymaster General, I admitted that there is a

[Penny Mordaunt]

moral obligation on infected blood and I set up the compensation study. We will deliver on it with, I hope, the support of Opposition Members.

Dean Russell (Watford) (Con): I send my condolences to the family and friends of Tony Lloyd. I did not know him well personally, but I knew him well within this place. He was not just well respected but well liked, which is quite hard for a politician of such tenure. He was also known to be very kind, and the immeasurable difference he made to this place will last for generations.

I recently spoke to a constituent who was concerned about fraudsters knocking on doors, dressed as if they worked for a commercial business, with the intention to scam usually vulnerable residents. Will my right hon. Friend advise on how that issue can be addressed to ensure that residents feel safer when opening the door to people who are supposedly selling to them?

Penny Mordaunt: May I start by saying how good it is to see my hon. Friend in his place again, fit and well? Earlier we heard from an Opposition Member about cold-calling zones and measures that are put in place to protect areas with a high volume of vulnerable people, which is one way to address the problem that my hon. Friend raises. That is within the gift of local authorities and may be something his local residents wish to see. I will also ask the relevant Department on his behalf whether there is any good practice that can be passed to my hon. Friend's office.

Lilian Greenwood (Nottingham South) (Lab): Time and again, the Government have ignored warnings about the crisis brewing in adult social care, children's services and homelessness that, combined with rising costs, is pushing local council finances over the brink. The result is that from lunch clubs to libraries, and from art groups to youth centres to supporting bus services, communities are losing the things that bring people together and support their lives. Can we have a debate in Government time on the impact that this loss of social infrastructure is having on communities, and particularly on the old, the young, the sick, the disabled and those who already face extreme poverty?

Penny Mordaunt: The hon. Lady will know how to apply for a debate in the usual way, but I also draw her attention to the local government finance settlement and the offer from the Secretary of State and his Ministers to discuss that with Members. I urge her to take him up on that offer if she so desires. I also point to the work and focus across many Government Departments on the issues that she raises. I am thinking in particular of the Department of Health and Social Care and the work that the Minister for Veterans' Affairs, my right hon. Friend the Member for Plymouth, Moor View (Johnny Mercer), has been undertaking with regard to homelessness.

Jo Gideon (Stoke-on-Trent Central) (Con): Last week, I met my constituent, Kym Ledger, a former sub-postmistress and former representative of the National Federation of SubPostmasters. I was already appalled but am now incensed by the stories that the victims of the Post Office Horizon scandal have to tell. I welcome

the Government's commitment to complete the process of exonerations and resolve outstanding compensation claims as soon as possible, but those responsible need to be held accountable. Does my right hon. Friend agree that the Government should learn from victims of this appalling miscarriage of justice? Will she find parliamentary time to debate the introduction of a whistleblower Bill to protect brave citizens who speak out against corporate wrongdoing in the future?

Penny Mordaunt: I thank my hon. Friend for her work on that matter. Her question comes in a week when we have also seen reports about previous whistleblowers on other issues, such as Maggie Oliver and her work on grooming gangs, at tremendous personal cost to herself, losing her career and livelihood in the process. We owe those individuals a huge debt of gratitude, and I will certainly make sure that the Cabinet Office has heard what my hon. Friend has said. As I mentioned, I wrote last week to the Cabinet Office asking it to reflect on what it could learn from Horizon and from other inquiries that we have established. My hon. Friend may wish to raise the matter directly at the Business and Trade questions on 25 January.

Jessica Morden (Newport East) (Lab): There was no transport Bill in the King's Speech and therefore no opportunity to update legislation relating to e-scooters and e-bikes, and, obviously, we have seen a massive increase in their use. May we have an opportunity, on behalf of constituents who regularly raise with me the antisocial use of e-bikes and e-scooters, to question Ministers on what more they can do to tackle this?

Penny Mordaunt: I thank the hon. Lady for her question; I know this is an issue of concern to many Members across the House. She will know how to apply for a debate, but I will also make sure that the Secretaries of State for Levelling Up, Housing and Communities and for Transport have heard what she said.

Dr Luke Evans (Bosworth) (Con): The House will know that I have repeatedly raised my concerns about image and performance-enhancing drugs. It is estimated that between half a million and a million people are using these drugs, so may I pay tribute to the sports Minister, who has agreed to join a roundtable discussion with me next week that will bring together academics, clinicians, groups and the police to discuss the matter further? We need more data. One of the biggest problems is that it is a cross-departmental issue, so would the Deputy Speaker mind writing to the Home Office and the Department of Health and Social Care, as well as the Department for Culture, Media and Sport, so that this issue gets the attention that it deserves?

Penny Mordaunt: I am sure that Mr Deputy Speaker would mind writing to those Departments, but I do not at all. I thank my hon. Friend for his really important campaign in this policy area, which did not have a lot of focus prior to his taking it up. I am pleased to hear what the sports Minister is doing and I will certainly make sure that, via him, this will be co-ordinated across Government.

Chris Elmore (Ogmore) (Lab): On 12 April, Barclays will close its doors in the county town of Bridgend, leaving 145,000 constituents in my constituency and in

the constituency of Bridgend with one fewer bank. In my own constituency, there is now one bank left. In Bridgend, older people and charities are finding it increasingly difficult to get access to cash. Will the Leader of the House find time for a debate in which a Minister comes to the House and sets out what the Government will do to stop this desert of banking services, so that we can ensure that people have access to cash and that our hard-pressed charity sector is able to bank and have support from towns right across the United Kingdom?

Penny Mordaunt: I am sorry to hear about the situation in the hon. Gentleman's constituency. He will know that the Department for Levelling Up, Housing and Communities has a number of programmes to ensure that vital services, such as those he outlined, are co-ordinated locally and can still be accessed. He is right that for the charity sector in particular, but also for businesses and individuals, these are necessary services that people should have access to. He will know that just because bricks and mortar may be going, those services can be continued in other ways, as happens in many other places across the UK. I will ensure that someone from the Department gets in touch with his office, shares the good practice that is going on and gives some advice on how he can ensure that those services are available to his constituents.

Andrew Bridgen (North West Leicestershire) (Ind): In Tuesday's 90-minute Westminster Hall debate on trends in excess deaths, Back-Bench contributions were limited to three minutes each. Given the huge and growing public interest in, and concern about, excess deaths, and given the growing awareness across this House, may we now have a debate in Government time on excess deaths? Also, will the Government instruct the Medicines and Healthcare products Regulatory Agency to release anonymised the doses, dates and deaths data that it holds, which it has already disclosed to AstraZeneca, Pfizer and Moderna—public data that the public have no right to, and data that would very quickly verify whether those experimental covid-19 vaccines are, in fact, safe and effective?

Penny Mordaunt: I thank the hon. Gentleman for his question. The fact that he has held a debate in this place and that it was well attended shows that there is great scrutiny of and interest in these matters. He will know that he has other options for applying for a debate. He is sitting next to the Chair of the Backbench Business Committee, the hon. Member for Gateshead (Ian Mearns), and I am sure that some of the things he said in his question would be considered favourably—meaning that his application would be considered favourably. I would encourage him to apply for a debate. He knows that he can secure a debate on that subject, because he has just recently done so.

I will also just emphasise that there is no evidence linking excess deaths to the covid-19 vaccine. Analysis from the Office for National Statistics, published in August last year, shows that people who have had a covid-19 vaccine have a lower mortality rate than those who have not been vaccinated. The issue of excess deaths is important to scrutinise, and clearly the covid inquiry is looking at those issues too, but we need to be careful in our messaging to ensure that—it is individuals' choice—people have the facts about vaccines of all kinds.

Stephanie Peacock (Barnsley East) (Lab): Barnsley East has missed out on all levelling-up funding. The local council has put in an excellent bid to support and develop Elsecar Heritage Centre, but in the latest round of announcements we were told that it would be decided separately from the national funding round as a culture and heritage bid, yet DLUHC makes the decision. Will the Leader of the House inform us when the Government will make this announcement?

Penny Mordaunt: I wish the hon. Lady and her colleagues in her constituency good luck with the bid. She will know that if a bid has not been scored to be particularly good in a round of funding, officials from that Department will quite often work with the local authority and other stakeholders to improve the bid and ensure that it is robust—I am not saying that that is the case for the hon. Lady, but it is good that she is still in the process. I will do all I can to assist her in ensuring that the bid is in good shape. I shall ask the Secretary of State for Culture, Media and Sport to give her an update on timing, as the next oral questions for that Department have not yet been given a date.

Drew Hendry (Inverness, Nairn, Badenoch and Strathspey) (SNP): As has been amply demonstrated this week, the highlands and islands have the coldest climate in the UK. We have the highest levels of fuel poverty and pay the highest bills, despite generating six times the electricity that we use. Energy policy is entirely reserved to the Westminster Government. May we have a debate in Government time on establishing a highlands energy rebate, along the lines of what the Chancellor has proposed for those in new electricity-generating equipment areas for those living among the existing electricity-generating equipment?

Penny Mordaunt: I thank the hon. Gentleman for his question. I shall certainly ensure that the Secretary of State for Energy Security and Net Zero has heard his suggestion and, given that the next oral questions have not yet been given a date, ask the Department to respond to him.

Ashley Dalton (West Lancashire) (Lab): Given that there is a debate later today on HS2 compensation, and that Skelmersdale in my constituency has repeatedly been denied any support for a train station—infamously, it still has none—will the Leader of the House share her thoughts on the Department for Transport's Network North advert that boasted of rerouting £235 million of HS2 funds from the north to fix potholes in London?

Penny Mordaunt: I am not sure I have seen that Government advertisement, so I cannot comment on it. However, if that is a matter of concern to the hon. Lady's constituents with regard to HS2 compensation, I encourage her to attend the debate this afternoon.

Mr Tanmanjeet Singh Dhesi (Slough) (Lab): My constituent is one of six British Sikhs on an "enemies of the state" hit list of 20, broadcast on certain sections of the Indian media. We have seen shocking revelations by the Canadian Prime Minister of the assassination of a Sikh activist and an indictment submitted in a United States court of a foiled alleged plot to assassinate a Sikh activist there, and the family of a Birmingham Sikh

[*Mr Tanmanjeet Singh Dhési*]

activist, who have their own suspicions, are calling for an inquiry into his death. All three were on that hit list. Given that many Sikhs have been handed “threat to life” notices by UK police, does the Leader of the House agree that, whether or not we agree with someone’s views, everyone has the right to freedom of expression in our democracy without the threat of violence? Can she outline what steps the Government are taking to ensure the safety and security of British Sikhs?

Penny Mordaunt: I am sorry to hear about the situation of the hon. Gentleman’s constituent. He will know that the Home Office and the Foreign, Commonwealth and Development Office take those matters very seriously and that, where there are issues with foreign Governments, the Foreign Secretary and his Ministers will raise them directly in bilateral meetings. The Home Office, working often with local authorities, will put in place measures to protect people who have had such threats. We have sadly seen interference in some cases from a number of state actors from China and from Iran in particular, as well as the cases to which he refers.

Debbie Abrahams (Oldham East and Saddleworth) (Lab): May I add my condolences to Tony Lloyd’s family? He was a dear friend and colleague, and he was particularly kind to me when I was first elected in a by-election, 13 years ago.

My constituent’s partner has been awaiting evacuation from Gaza for months now. Her partner has evidence that others in exactly the same circumstances as him are being prioritised over him. Although my office and I have been in almost daily contact with not only the Foreign Office—I thank Lord Ahmad for his support—but the Israeli and Egyptian embassies, I would be grateful if the Leader of the House could liaise with the Foreign Office and identify exactly when my constituent’s partner can be brought home.

Penny Mordaunt: I am sorry to hear about the situation with the hon. Lady’s constituent, and I thank my noble friend Lord Ahmad for the work he is doing. I know he is focused on the protection of British nationals, ensuring that people can be returned to the UK and offering them all assistance. I will certainly ensure that Ministers hear what the hon. Lady has said today. As with cases regarding hostages, I have helped facilitate some services being stepped up for Members of Parliament. I think I am perhaps not able to assist her in quite the way she wishes me to, but I will ensure that the Foreign Office has heard what she has said and, although I know that she is in contact with them already, I will raise her concerns with FCDO officials to see whether anything further can be done. I know she appreciates that these are very difficult circumstances.

Mr Alistair Carmichael (Orkney and Shetland) (LD): The House will recall that on 2 January the Prime Minister posted on X:

“I said that this government would clear the backlog of asylum decisions by the end of 2023. That’s exactly what we’ve done.”

In fact, it was pretty soon apparent that they had done nothing of the sort, with more than 4,500 legacy applications still awaiting a decision. Accordingly, I took the matter

to the UK Statistics Authority to seek its guidance, and this morning I received this reply from its chair, Sir Robert Chote:

“The average member of the public is likely to interpret a claim to have ‘cleared a backlog’—especially when presented without context on social media—as meaning that it has been eliminated entirely”.

He goes on:

“This episode may affect public trust when the Government sets targets and announced whether they have been met in the other policy domains.”

Will the Leader of the House make time for the Prime Minister or the Home Secretary to come to the House and explain why, yet again, they have had their knuckles rapped for their use of statistics?

Penny Mordaunt: It is a good thing in our democracy that we do not mark our own homework. We have independent bodies that review statistics. We also have bodies that look at how statistics are presented, so that they are presented in the clearest possible way to members of the public. The right hon. Gentleman will know that massive progress has been made in that area. Off the top of my head—he will forgive me—the processing of applications in the Home Office has increased by 250%. It is now working through those applications at pace. However, I will certainly ensure that the Home Office hears what he has said, as its question time has not yet been tabled.

Florence Eshalomi (Vauxhall) (Lab/Co-op): I raised this issue last week. The Leader of the House may be aware of the open letter signed by actors, musicians and campaigners, including Adrian Lester, Annie Lennox, Martin Forde KC and Baroness Doreen Lawrence, urging the Government to go faster on the Windrush compensation scheme. More than 40 people have died while awaiting compensation. May we have a debate in Government time to consider taking Windrush compensation out of the Home Office and into an independent body, so that we get a speedy resolution for the many people still waiting?

Penny Mordaunt: I thank the hon. Lady for her diligence in raising this issue again. She will know that last week I wrote on her behalf to the Department, as well as to the Cabinet Office, to see what more they could do to learn from this and other matters. I will do so again.

Kevin Brennan (Cardiff West) (Lab): Will the Leader of the House have another go at improving written ministerial answers? I recently asked the Department for Levelling Up, Housing and Communities a very simple question about what meetings Ministers had had with Welsh and Scottish counterparts on the implementation of the new ombudsman scheme. The answer from the Minister for Housing, Planning and Building Safety was:

“Ministers and officials have regular engagement with the devolved administrations on a range of issues.”

That passes the Lloyd George test: it was short, accurate and told me absolutely nothing I did not know already. In this day and age, can we not at least have a culture among Ministers of answering perfectly straightforward and factual questions in a perfectly straightforward and factual way, and will she help to facilitate that, please?

Penny Mordaunt: The hon. Gentleman will know that a great deal of time and effort is taken in the drafting departments in Government Departments. My noble

Friend Lord True and I run regular training sessions, as do the officials in my office. We are always on the lookout for good and bad practice so that we can ensure that people know what Members of Parliament need, and we inform those individuals of what is helpful to us in dealing with casework and in which format we might need information. I am always open to example of good and bad practice being passed to my office, and I will certainly raise it with the relevant Department.

Dame Meg Hillier (Hackney South and Shoreditch) (Lab/Co-op): Twice in questions today, compensation schemes have been raised, and I am heartened that the Leader of the House herself championed this issue as Paymaster General and has been in contact with the Cabinet Office. However, could she help me and my constituent who was in the secret services? He was dismissed because of his sexuality alone, and is one of a group of people who cannot talk about the matter publicly. Despite my hammering on doors in Whitehall, we are making very little progress. As well as the gay veterans' scheme and other compensation schemes, would the Leader of the House take up this issue for people who served their country well and were dismissed simply because they were gay or lesbian? It is not fair, it was not right, and it needs redress.

Penny Mordaunt: The hon. Lady raises a very important point. Quite often, because of the nature of someone's service, they are not able to participate in particular inquiries or reports that are produced on historic wrongdoing and miscarriages of justice. Clearly, the agencies have evolved over the years, and the heads of those agencies are now public figures, so I will certainly write to the Cabinet Office and ask it to consider this matter, copying in both the Home Office and the Foreign, Commonwealth and Development Office, which are primarily the sponsoring Departments for those agencies.

Gavin Newlands (Paisley and Renfrewshire North) (SNP): Tony Lloyd was shadow Secretary of State for Northern Ireland when I had my first Front-Bench role as SNP spokesperson for Northern Ireland. He was extremely welcoming, collegiate and helpful, for which I will be forever grateful. I offer my sincere condolences to his friends and family.

I received a letter on Monday from the Minister for Legal Migration stating that the Home Office's use of the Muthu Erskine Bridge hotel, which is currently home to 114 asylum seekers, would cease by the end of April. The problem is, that was nearly a week after the news had become public, and after I had already had a meeting with Mears to discuss winding-down arrangements—all this after no real engagement, consultation or even basic communication with the local community at the outset, leaving it to local representatives like me to try to answer questions I had no answers to, with the abuse and threats to me and my staff that went along with it. Can we have a debate on Home Office communication with Members of this place and, when necessary, directly with members of the public?

Penny Mordaunt: I am sorry to hear about that situation, and I will raise it with the Home Office. From my own experience, the Home Secretary's Parliamentary Private Secretary has been very diligent in making sure that Members on all sides of this House are kept informed

about things that are going on in their constituencies, so I am sure that if there has been a delay in sending a letter to the hon. Gentleman, it will have been an error. However, I will make sure the Minister and the Department have heard his point.

Andrew Western (Stretford and Urmston) (Lab): I associate myself with the comments that have been made about my friend and predecessor as Member for Stretford, Sir Tony Lloyd. I will reserve my comments for the appropriate time in the forthcoming weeks, but in light of the comments made by the shadow Leader of the House, I wanted to express my solidarity with her in having experienced unfavourable comparisons with Tony. She is more fortunate than I am; she had those comparisons for only the first couple of years, but I continue to experience them some 27 years after he ceased to represent Stretford.

My constituent Colin is a retired senior police officer awaiting pension adjustment under the McCloud remedy. He and many others have made important life decisions on the basis of a promise made by XPS, the Government's pension administrators for the scheme, to remediate all retirees by July this year. Without notification—with a website update alone—XPS has now pushed that date back to November this year. Colin and thousands of others have made life-changing decisions on the back of information previously provided, and years' worth of hard-earned pension are still outstanding, yet I understand that, to date, not a single retiree has been remediated, or one letter been sent to any recipient. Could we have a statement from the Policing Minister on the progress that XPS is making on the remediation of affected police pensions, and the steps the Government are taking to assure themselves that the legal deadline for adjusting those pensions will be met?

Penny Mordaunt: I thank the hon. Gentleman for his question. As the date of the next Home Office questions has not been tabled, I will write to and make sure the relevant Minister has heard the hon. Gentleman's request.

Christian Wakeford (Bury South) (Lab): I would also like to put on record my sadness at the loss of our dear friend and colleague Sir Tony Lloyd. As the shadow Leader of the House said, he was a thoroughly decent bloke. He was kind and a great conversationalist over a pint, especially when we were talking about the losses of Manchester United these days, about which we shared our depression. More importantly, this place and politics are much poorer without him.

This week, I met the Environment Agency on behalf of concerned residents regarding the odour coming from the Pilsworth South landfill site in my constituency. The Environment Agency serves an important function for all our constituencies, particularly on issues such as flooding, balancing the needs of people and the environment. Could we have a debate in Government time on the appropriate level of funding for the Environment Agency to ensure that it has enough teeth to monitor and potentially punish operators that breach licences?

Penny Mordaunt: I am sorry to hear about that ongoing issue in the hon. Gentleman's constituency. He will know that that is the purpose of the Environment Agency. It has quite considerable investigatory powers

[Penny Mordaunt]

and, with other bodies, the ability to sanction particular people. The next questions to the relevant Department are on 1 February, and the hon. Gentleman may wish to raise that issue then.

Mary Glendon (North Tyneside) (Lab): Hon. Members who visited Iraqi Kurdistan with the all-party parliamentary group on the Kurdistan region in Iraq know that it is a firm ally against extremism, and they will be disgusted that the Iranian regime has targeted the capital, Irbil, with missiles, killing a prominent businessman, his baby daughter and others in a vile and illegal act. May we have a debate in Government time on how the Government can best assist our allies and support Iraq's complaint at the United Nations about Iranian aggression? Could the Leader of the House prompt the Foreign Secretary to discuss the issue with the Kurdish Prime Minister in Davos?

Penny Mordaunt: I will certainly make sure that the Foreign Secretary has heard what the hon. Lady has said. She will know that the next Foreign Office questions are on 30 January, and she may also wish to raise it then. I thank her for shining a spotlight on that particularly brutal attack. Again, it is highly consistent with the Iranian regime's standard operating procedure in many places around the world.

Richard Foord (Tiverton and Honiton) (LD): The former Prime Minister, the right hon. Member for South West Norfolk (Elizabeth Truss) has recently been trying to sell de-mining equipment to the People's Republic of China, including ground-penetrating radar capability. The sale was blocked by the Government, but it brings into view a proposal made this time last year by the four Committees that make up the Committees on Arms Export Controls to make it a dedicated Select Committee of the House. This proposal was supported by the Chairs of the Defence Committee and the Foreign Affairs Committee, both Conservative MPs. If they support making the Committee a dedicated Select Committee of this House, why does the Leader of the House not do so?

Penny Mordaunt: I thank the hon. Gentleman for his question, and for advertising that the systems the Government have put in place to ensure that sales that should not be taking place are blocked is alive and well and working. Sitting next to me on the Front Bench is the Security Minister, who has stood up new infrastructure in Whitehall to ensure that we have full situational awareness of particular sales or takeovers that might be against the public interest. That has come on leaps and bounds in recent years, and I thank the hon. Gentleman for the endorsement and advert for that.

There are many issues to be considered when new Select Committees are stood up. They are ultimately a matter for the House, but I can tell the hon. Gentleman from my experience of serving on the Committees on Arms Export Controls—for those who do not know, it does not decide on arms exports; it scrutinises the decisions taken—that the input and expertise from the four Select Committees of this House on live issues and the geopolitical situation that needs to be considered when scrutinising such decisions are incredibly valuable. Ultimately, however, these things are a matter for the House.

Jeff Smith (Manchester, Withington) (Lab): It is now over two years since the hon. Member for Chatham and Aylesford (Tracey Crouch) produced her fan-led review of football, and the Government have accepted most of the recommendations. In that time, several communities have faced losing their local club, and the longer we wait, the more that will happen. When will we finally see the football governance Bill, or are we going to have to wait for a Labour Government to take action on this issue?

Penny Mordaunt: Given that the Labour Government did not take action on this issue, the hon. Gentleman should not hold out for that prospect. We have taken the decision to focus on this matter. We set up the football governance review, which the former Sports Minister my hon. Friend the Member for Chatham and Aylesford (Tracey Crouch) took forward, and we are bringing forward legislation. I am expecting that legislation to come to the House very soon and I thank Members from all sides of the House and supporters of all clubs for all their input into the review and the legislation that has come from it.

Richard Burgon (Leeds East) (Lab): I want to put on record that, like others, I miss our friend and colleague Tony Lloyd so much. He was a public servant of the highest order and a socialist of wit, wisdom, integrity and public service, and we will miss him.

People out there in Leeds and across the country are really struggling, through no fault of their own, to get by. This Government say they are proud of their record on living standards despite the reality out there being very different. If the Government are so confident, will the Leader of the House arrange for a debate in Government time on living standards after 14 years of Conservative Government? Can we have it as soon as possible, before the general election that we need very quickly so that people out there can give their verdict?

Penny Mordaunt: The hon. Gentleman will know how to apply for a debate, and if he did so I am sure it would be very well attended, certainly by Members on the Government Benches. He will know that the cost of living package we put in place recently, because of what we have gone through with the pandemic and the shocks to fuel prices particularly, in part because of the war in Ukraine, is now worth over £104 billion.

I am very proud of our record and not just because of the support that we have given directly; I draw the hon. Gentleman's attention to the uplift in housing allowance, other benefits, and the triple lock for pensions that were announced in the autumn statement, and also to what we have done to double people's personal tax allowance. We believe that the best way we can support people, as well as providing a strong welfare system and that targeted support, is by ensuring that more people get into work and are able to have more high-value jobs. That is sitting behind our trade deals; the comprehensive and progressive agreement for trans-Pacific partnership in particular will increase wages in this country in particular sectors. It is also fundamental that we get people into work. We have managed to get an additional 4 million people into work; 2 million are women and 1 million are disabled people who would not have had the dignity of a pay packet had we not brought through welfare reforms. We have lifted many people out of poverty, including 500,000 children.

Hywel Williams (Arfon) (PC): I join in the early tributes to Tony Lloyd, who was a sincere, decent and kind man, and a model to us all in these hardened times.

Independence is a viable option for Wales's future and the status quo is not. Those are two of the most striking conclusions of the independent commission on the constitutional future of Wales led by former Archbishop Rowan Williams and Professor Laura McAllister whose report is published today. Whatever the views across the House and of the Leader of the House, any sensible UK Government with sincere concern for the governance of my country would engage with the change that is already afoot. Will the Leader of the House demonstrate that sincere concern by arranging a full-scale debate on the commission's report, perhaps around the time of St David's day on 1 March?

Penny Mordaunt: I fully understand the hon. Gentleman's interest in this matter. We on the Conservative Benches will always defend the Union of the United Kingdom. Many services are devolved, and it pains me to see many services run very badly by the Welsh Government, to the detriment of Welsh citizens, as I know he will appreciate. Waiting lists are four times what they are in England, to give just one example. We will always defend the Union, and if the hon. Gentleman applies for a debate, I am sure many on my side will turn up and do precisely that. It is a sad and sorry state that the most vibrant separatist party in the UK now is not the Scottish National party, but the Labour party.

Patricia Gibson (North Ayrshire and Arran) (SNP): Last week, in response to my comments, the Leader of the House said that people in England pay lower tax than people in Scotland, even though 55% of people in Scotland pay less tax than people in England, including council tax. She added that her Government delivered a balanced budget, even though they have never done so since they came to power. The Scottish Government must, by law, deliver a balanced budget every year. Those are matters not of opinion but of fact, and I am sure she had no intention of misleading the House. Will she make a statement to correct the record?

Penny Mordaunt: I would be happy to correct the record now. A nurse earning £34,000 would pay £4,348 in Scotland, compared with £4,286 in England. A doctor earning £50,000 would pay £9,038 in Scotland, compared

with £7,486 in England. A headteacher would pay £17,436 in Scotland, compared with £15,430 in England. The hon. Lady needs to go and check the facts before she comes back next week. That is before I even start talking about the money that the UK Government have given the Scottish Government for businesses in Scotland, which the SNP is hanging on to instead.

Jim Shannon (Strangford) (DUP): I thank the Leader of the House for this opportunity to ask some questions on freedom of religion and belief and about persecution across the world. One example just in the past week is the Baha'i farmers who have suffered land seizure by the Iranian Government. That is another indication of the Iranian Government intensifying religious persecution against the Baha'i. Secondly, there have been recent actions against Christians in Sudan. On 12 January, the evangelical Presbyterian church in Wad Madani, Al Jazirah state was burned down. The Sudanese army has been accusing civilians of spying for the Rapid Support Forces paramilitary group based on ethnic grounds, leading to arrests, torture and killing. Will the Leader of the House join me and others in denouncing these arbitrary actions against Christians in Sudan and against the Baha'i in Iran?

Penny Mordaunt: I thank the hon. Gentleman for what he does every week to draw a spotlight on some appalling situations that do not necessarily get a lot of media attention. These have been themes this week. Many Members have spoken in these business questions, but also throughout the week, about the conduct of the Iranian regime. I thank him again for shining a spotlight on the ongoing situation in Sudan. As he knows I always do, I will make sure that the Foreign, Commonwealth and Development Office has heard his concerns.

Mr Deputy Speaker (Mr Nigel Evans): I thank the Leader of the House for responding to questions for more than an hour.

May I say that Sir Tony Lloyd, a north-west MP—I called him Mr North-West—was caring, honest, decent and a gentleman? Everybody got on with him. He worked with everybody. He was a fantastic man. I was on the Council of Europe with him. He was a true internationalist. We worked hard together. We had the odd pint together in Strasbourg. Politics and Parliament are the poorer for his passing.

Prevention and Suppression of Terrorism

11.48 pm

The Minister for Security (Tom Tugendhat): I beg to move,

That the draft Terrorism Act 2000 (Proscribed Organisations) (Amendment) Order 2024, which was laid before this House on 15 January, be approved.

I am grateful to the House for considering this draft order, which will finally see Hizb ut-Tahrir proscribed. The events of 7 October will be permanently ingrained on our minds. What Hamas did that day was barbaric. It was evil. Who can erase the images that we saw of mothers crying over their blood-soaked beds with their children missing, of teenagers gunned down at a festival of peace, or of women abducted, raped and slaughtered? Who among us could fail to be appalled by such depravity or to still feel the pain of those whose loved ones are hostages? Who could stay silent in the face of the worst pogrom against Jews on any day since the holocaust?

In the aftermath of 7 October, communities across the United Kingdom came together to condemn these vile acts and to stand with British Jews in their hour of grief. Not everyone, however, reacted with sorrow. Instead of horror, Hizb ut-Tahrir responded to the murder of civilians with elation. Instead of condemnation, it lavished Hamas with praise.

I want to make something very clear: I am a champion of freedom of speech, and I have no issue with people saying things that I regard as insensitive, uninformed or wrong, but this is different. Free speech includes neither the promotion of terrorism nor the celebration of terrorist acts. It is not acceptable to describe Hamas as the “heroes” of Palestine or the events of 7 October as a “long-awaited victory”. It is not acceptable to refer to the killing of Jewish tourists by an Egyptian police officer as

“a simple example of what should be done towards the Jews”.

It is not acceptable to call for so-called Muslim armies to rise up and carry out similar acts.

Hizb ut-Tahrir has antisemitism at its very core. It rejects democracy and engages in vile homophobia. As an organisation, it does not just reject British values; it seeks to undermine them. We will not let groups such as Hizb ut-Tahrir abuse our freedoms. We will never tolerate the promotion or encouragement of terrorism. We have zero tolerance for antisemitism. Hizb ut-Tahrir must be proscribed.

Before I come to discuss the specifics of the order, I will set out some background on the proscription power. Currently, 79 terrorist organisations are proscribed under the Terrorism Act 2000. For an organisation to be proscribed, the Government must believe that it is concerned in terrorism as set out in section 3 of the Act. If the statutory test is met, the Home Secretary must consider the proportionality of proscription and decide whether to exercise their discretion.

Proscription is a powerful tool with severe penalties, criminalising membership and invitations of support for organisations. It also supports other disruptive activity including immigration disruptions and terrorist financing orders. In short, the resources of a proscribed organisation are terrorist property and therefore liable to be seized.

A decision to proscribe is taken only after great care and consideration, given its wide-ranging impact. It must be approved by both Houses. Part 2 of the 2000 Act contains the proscription offences in sections 11 to 13. An organisation is proscribed if it is listed in schedule 2 to the Act. Article 2 of the order will add Hizb ut-Tahrir to the list in schedule 2 as a new entry.

We have carefully considered all the evidence. Hizb ut-Tahrir is concerned in terrorism. With the House’s consent, it will be proscribed, including all regional branches such as Hizb ut-Tahrir Britain.

Although I am unable to comment on specific intelligence, I can provide the House with a summary of the group’s activities. Hizb ut-Tahrir is an international political organisation with a footprint in at least 32 countries, including the United Kingdom, the United States, Canada and Australia. Its long-term goal is to establish an expansionist caliphate ruled under Islamic law, with no fixed borders, seeking new territories to occupy in the name of jihad. That is its stated aim. Hizb ut-Tahrir’s headquarters and central media office are in Beirut, and its ideology and strategy are co-ordinated centrally.

The British branch, Hizb ut-Tahrir Britain, was established in 1986. It is afforded autonomy to operate in its local environment, but it is important to emphasise that it is part of a coherent international movement, and recognises the leadership of Hizb ut-Tahrir. The decision to proscribe therefore relates to Hizb ut-Tahrir, including all its regional branches. Any distinction between them is artificial.

There is evidence that Hizb ut-Tahrir is concerned in terrorism. Its central media office and several of its middle eastern branches have celebrated and praised the barbaric terrorist attacks on Israel and other nations’ citizens carried out by Hamas, which, as Members will be aware, are already a proscribed organisation.

Mr Alistair Carmichael (Orkney and Shetland) (LD): Is the Minister aware that Zeyno Baran of the Hudson Institute has observed that the British chapter of Hizb ut-Tahrir is the “nerve centre” of the international movement? As is so often the case when dealing with terror organisations, the responsibility to protect our own citizens extends to citizens in other countries as well.

Tom Tugendhat: The right hon. Member is absolutely right that the unity of this organisation means that one branch cannot be separated from another. The UK branch is important when taking down the network around the world. That is why, as I will come to, this action is supported not just here but around the world.

As I mentioned earlier, recent activity includes an article attributed to Hizb ut-Tahrir’s Egyptian branch, which referred to the killing of Jewish tourists by an Egyptian police officer as

“a simple example of what should be done towards the Jews”.

The British branch is supportive of—and indeed, subservient to—its global leadership and policy positions. It demonstrates a hatred not just of Israel but of all Jews. Its promotion and encouragement of terrorism is inspired by an abhorrent antisemitic ideology.

Hizb ut-Tahrir has frequently referred to Hamas as the heroes of Palestine. Hamas are not heroes. Those who perpetrated the attacks on 7 October are monsters.

Hizb ut-Tahrir Britain published an article on its website that described the 7 October attacks as a long-awaited victory that

“ignited a wave of joy and elation amongst Muslims globally”.

It is the Government’s view that the content included in that article and others like it betrays Hizb ut-Tahrir and Hizb ut-Tahrir Britain’s true ideology and beliefs. Hizb ut-Tahrir has regularly engaged in homophobic and antisemitic discourse. It rejects democracy, and its aims bear similarities to those of terrorist groups, including Daesh, which is already proscribed. Internationally, Hizb ut-Tahrir plays the mood music to which other terrorists dance.

This proscription will serve as a reminder that the United Kingdom does not and will never tolerate the promotion or encouragement of terrorism. It will send the message that promoting or encouraging Hamas’s sickening attack on 7 October is utterly unacceptable and at odds with the values of this country. By proscribing, we will reassert our unwavering commitment to fighting antisemitism, which has increased unacceptably in the United Kingdom and globally in recent months.

To the Jewish community in the United Kingdom, I say this: “We will always protect British citizens. We will do whatever it takes to protect you.” To British Muslim parents and to many mosques across the country, I say this: “We will remove this menace that claims to act in your name. Hizb ut-Tahrir does not represent Islam or Muslims. You are a crucial part of our nation and your Government is on your side.”

Before I conclude, I will make a couple of further points. First, the decision to proscribe is supported by our international partners. Hizb ut-Tahrir is banned in many countries around the world, including in Germany, and restrictions are placed on its activities in Austria. This is an organisation that does not believe in borders or the nation state, and that calls for the overthrow of every Government in the Islamic world. It has declared the custodian of the two holy places in Saudi Arabia, the Khadim al-Haramayn, an apostate, and has been banned in Turkey, Saudi Arabia and the United Arab Emirates. Following coup attempts in Jordan and Egypt, it has been banned in those countries as well. Its call for the caliphate is a colonial imperialist ambition from another age and gives legitimacy to others, including ISIS and al-Qaeda. When al-Nabhani split from the Muslim Brotherhood to found this organisation in 1953, it was to a great extent because he did not believe in its incrementalist policy of using democracy, but instead turned to violence and radicalising Muslim militaries to establish a single expansionist Islamist empire. This is an organisation calling for the conquest of India, Greece, Spain and France—anywhere, in fact, where Muslim armies once trod, even if that was over 1,000 years ago.

Let us not forget the impact of Hizb ut-Tahrir in the United Kingdom. One of its original leaders subsequently went on to set up al-Muhajiroun, a pernicious organisation, now also proscribed, with links to many of the perpetrators of Islamist-inspired attacks in recent years. We are taking this action to stop the pain and loss caused to countless families across our country who have lost loved ones to this cult. This proscription is important to protecting all communities across our country, and to standing with our allies and partners in nations from Indonesia to Morocco.

Proscription is a powerful tool. It will significantly hamper Hizb ut-Tahrir’s operations in the United Kingdom, and damage its activities and support for branches in other parts of the world. The United Kingdom must not be a hub for global terrorism: not today, not tomorrow, not ever. It will now be a criminal offence for a person to: belong to Hizb ut-Tahrir; invite or express support for Hizb ut-Tahrir; arrange a meeting in support of Hizb ut-Tahrir; and wear clothing, carry or display articles in public in such a way as to arouse reasonable suspicion that the individual is a member of, or a supporter of, Hizb ut-Tahrir. The penalties for conviction of proscription offences can be a maximum of 14 years in prison and/or an unlimited fine.

The first duty of Government is to keep our people safe, to guard the homes of our friends and fellow citizens, and to discourage any from going down the path of radicalisation that destroys lives. Nothing matters more. It is a tremendous responsibility and one that we approach with the utmost seriousness. The fight against terrorism demands constant vigilance. When there is a clear need for action to support that vital mission, we will not hesitate. I therefore urge the House to support this proscription order. It is a proportionate response to the promotion and encouragement of terrorism. It is a justified response to calls for violence and disorder, and it is necessary to defend our values and to protect all the communities of our great country.

12.2 pm

Dan Jarvis (Barnsley Central) (Lab): I thank the Security Minister for what he has said, and his colleagues at the Home Office for briefing the shadow Home Secretary and me ahead of this debate. Today’s proscription order is underpinned by the exceptional men and women who serve in our intelligence and security services in Government and in our police. They work tirelessly to keep our country safe. We are extremely fortunate to have them.

Keeping our country safe is the first duty of Government and a common cause that we share and treat with the utmost seriousness. On that basis, it is vital that the Government and the Opposition work together in the national interest on these crucial issues. As the Minister laid out, the order will amend schedule 2 of the Terrorism Act 2000 to add Hizb ut-Tahrir to the list of proscribed organisations. Doing so will make it a criminal offence to belong to Hizb ut-Tahrir, to engage in activities such as attending meetings, to promote support for the group, or to display its logo. After years of serious and increasing concerns about Hizb ut-Tahrir’s activity both internationally and in the UK, the Opposition strongly support its proscription. It is a necessary and proportionate step to effectively counter its hateful extremism and divisive rhetoric which threatens the safety and security of our country.

Proscription of this international terrorist organisation comes after other countries, including Germany, had already banned it. Hizb ut-Tahrir is being proscribed now because of escalating activity in the aftermath of Hamas’s barbaric terrorist attack on Israel. Unlike other Muslim groups in the UK who condemned these attacks, Hizb ut-Tahrir Britain glorified as “heroes” the Hamas terrorists who revelled in acts of indiscriminate violence against civilians. In the aftermath of 7 October there was deep sorrow and outrage among the British people, shared with the Israeli people; but Hizb ut-Tahrir boasted

[Dan Jarvis]

of its “euphoria” on the news of that appalling and tragic loss of life. There is no place on Britain’s streets for vile antisemitism. There is no place on Britain’s streets for those who incite violence and glorify terrorism. There is no place on Britain’s streets for Hizb ut-Tahrir. This terrorist group peddles hate, glorifies violence, and is not only hostile to our values but hostile to the common tenets of humanity.

There is nothing new about the divisive and poisonous rhetoric of Hizb ut-Tahrir, which has been widely recorded for over two decades in the UK, long before the attacks of 7 October. Organisations such as the Community Security trust, the Antisemitism Policy Trust and the Union of Jewish Students have long raised serious concerns about Hizb ut-Tahrir’s antisemitism, alongside its misogynistic and homophobic hate speech, which provide a channel for extremism. That is why previous Prime Ministers, Home Secretaries and Security Ministers have considered proscribing Hizb ut-Tahrir, but its activities were not recognised as sufficient under the definition of terrorism in section 3 of the Terrorism Act 2000 until now.

Given the amount of time for which these matters have been debated and considered, I should be grateful if the Minister, when he responds, said whether he thinks there are lessons to be learned about the length of time that it has taken to proscribe Hizb ut-Tahrir. Will he also say whether he believes that the current proscription process is agile enough to counter threats to our national security robustly, and whether he agrees that a bespoke proscription mechanism for state-sponsored organisations—which Labour has already called for—is now required? Countering threats to our national security requires joined-up, cross-Government working, but the counter-extremism strategy has not been updated since 2015, with important elements of policy involving community cohesion now the responsibility of the Secretary of State for Levelling Up, Housing and Communities. Given the significance of these matters, I should be grateful if the Minister told the House when the Government will provide a new definition of hateful extremism. Can he also tell us when his Department will update the counter-extremism strategy, an update that has been called for by the shadow Home Secretary, my right hon. Friend the Member for Normanton, Pontefract and Castleford (Yvette Cooper)?

Proscribing Hizb ut-Tahrir is the right thing to do for our national security. For too long the public have been exposed to its extremist ideology, its glorification of terrorist activity, and its core aim of overthrowing our democratic system of government to replace it with an Islamist theocracy. If left alone, extremism can and will spread insidiously and seep deeply into our national conversation. No Government must ever relent in their determination to ensure that we are always one step ahead of those who seek to harm us or to undermine our way of life. This House must always be on the side of the public whom we strive to serve and protect, and that is why we strongly support this proscription order.

Several hon. Members *rose*—

Mr Deputy Speaker (Mr Nigel Evans): Order. I note that there is some interest in this debate. It must end by 1.18 pm, so I ask Members to be mindful of the contributions that they make.

12.9 pm

Andrew Percy (Brigg and Goole) (Con): As I speak in this debate, I will have in mind the 136 hostages who are still held by Hamas, including Eli Sharabi. Several colleagues and I met his brother-in-law, Steve, in the House yesterday.

I welcome what both the Minister and the shadow Minister said on this subject, and I disagreed with nothing. I thank the organisations that have campaigned on this issue over the years, including the UJS and the Antisemitism Policy Trust, which is ably led by Danny Stone—he has long campaigned on this and I congratulate them all on their efforts, which have now paid off.

My only slight point of disagreement with what has been said is that, once again, I voice my support for the proscription of the Islamic Revolutionary Guard Corps, which is behind Hezbollah, Hamas and, of course, the Houthis. This is a debate of consensus, so I will leave that for another day.

As the Minister said, Hizb ut-Tahrir is an antisemitic, racist organisation that promotes and encourages terrorism. As both Front Benchers said, it openly celebrated the appalling pogroms of 7 October and has described Hamas as “heroes.” They are not heroes; they are murderers and rapists, for which they should be called out by everyone. Hizb ut-Tahrir is an explicitly antisemitic group and has targeted gay people, women and Muslims who do not share its perverse interpretation of Islam. It is right to ban this group, but will that ban include its pernicious online activities?

I will now look at some of the individuals involved with Hizb ut-Tahrir. Omar Khan Sharif, one of the British bombers of Mike’s Place in Tel Aviv, was found with Hizb ut-Tahrir literature. The bombing took place in the second intifada, so let us remember what an intifada is, for those who have been marching in the streets with signs calling for an intifada. At the weekend, people held signs calling for a “socialist intifada.” I am not sure what a socialist intifada is—perhaps it means murdering people more fairly—but that is what people have been calling for.

The second intifada involved the bombing of pubs and civilian buses, and it involved the murder of countless innocent civilians. That is what people have been calling for on our streets, and they have been allowed to continue calling for it without any police action.

Christian Wakeford (Bury South) (Lab): It gets even worse, because this weekend we heard people not only on the march but on the stage saying that massacres should now become the norm. There is no place for that in society, which is why such motions should be welcomed not only by every Member but by everyone in this country.

Andrew Percy: I could not agree more. Doubtless the majority of people who attend protests are peaceful, but that behaviour is making Jewish people in this country frightened of wherever the protests take place. The Jewish community in my region has expressed to me its concerns about the small marches we have had in my area, and of course Jews in London are afraid to come into central London when the marches are taking place, precisely because of that behaviour, which I believe is by a minority.

The leader of Hizb ut-Tahrir in Denmark was convicted of racial hatred for distributing a leaflet that said:

“Kill them, kill the Jews wherever you find them.”

The organisation tells its followers that they should not be close friends with non-Muslims. In fact, one of its leaflets says:

“We maintain that the clash of civilisations is not only inevitable but imperative.”

Of course, it shares that view with neo-Nazis. It is absolutely right to ban this organisation, and I agree with everything that the Minister and the shadow Minister said. Welcome though it is, however, the ban will not end the continued targeting of the Jewish community and Jewish people in this country, which has led to a 1,000%-plus increase in antisemitism.

This week I was informed by the police force in my area that pro-Palestinian activists might come to protest one of our Holocaust Memorial Day events. I am sure they will protest peacefully, but that event is being targeted for no other reason than Jews will be present. That is absolutely appalling and disgraceful behaviour, just as it would be for a person to protest Hamas or Hizb ut-Tahrir at a Muslim community event. It is completely unacceptable. In fact, it is perverted.

A Jewish charity that supports disaffected young men and young boys in the north of London was targeted this week by activists, who screamed and shouted abuse outside. What does a Jewish charity working with disaffected youth have to do with this conflict? It was targeted for no other reason than it involves Jews.

We have seen continued denial of the events of 7 October in online spaces and on the streets of this country. Although this proscription will do a great deal, it will not prevent the continued targeting of Jews. Indeed, in just the last few days, because of a smear someone posted online after I dared to say in this place that people who do not contextualise the Israeli response to 7 October with the events of 7 October are giving the terrorists a “free pass”, I have received the most appalling antisemitic communications, including describing the hostages as, “Them Zionist rat hostages.” Someone messaged me to say, “Nobody cares about the Jews.” Another messaged me to tell me that I should be flogged because of my beliefs. I have been targeted with emails directly quoting the comments made about me on social media and telling me that they were false-flag operations, that the hostages do not exist and that it was the Israelis who killed people on 7 October—all the various conspiracy theories. The comments on social media have enabled antisemitism of the most awful kind, and I am afraid it will continue, which is why we have to do so much more.

I know that both the Government and the Opposition have done incredible things in calling all of this out and putting extra money into the CST, but the continued targeting of Jews in this country is deeply disturbing. Although this motion is welcome, it will not prevent that from continuing. We need tougher action.

As I said in a Westminster Hall debate, it has seemed on occasion as if the Metropolitan police force is acting as the public relations arm of some of the protests, instead of doing what it should be doing and protecting British Jews from such hate speech. We are such a small community, just 0.5% of the population.

I thank the Minister and the shadow Minister for what they have said, and I welcome this move. I hope the Minister will answer my question on whether the order will apply to Hizb ut-Tahrir’s online activities.

12.17 pm

Kirsty Blackman (Aberdeen North) (SNP): The SNP absolutely supports the proscription of Hizb ut-Tahrir. We stand with Jews and Jewish communities against antisemitism.

I particularly thank the Union of Jewish Students for its work in Aberdeen, and I am grateful for the comments it has brought to me about its experiences in the wake of 7 October. The hon. Member for Brigg and Goole (Andrew Percy) told us about some of the incredibly explicit and horrific comments he has received, and I feel for all those who receive such comments, whether or not they are in the public light. Receiving such comments is awful, and we are happy to commit to working with everyone in the House to do everything we can to oppose antisemitism, wherever it occurs in our communities. We must stamp out antisemitism wherever we can.

We recognise the horrifying, dangerous comments and attitudes of Hizb ut-Tahrir, and agree with the reasons the Minister set out for its proscription. At a time of unprecedented violence on so many fronts, we call for, and we support those who call for, unity in the face of the forces of hatred that try to divide us.

Can the Minister assure us that, after proscription, he and the Government will take further action to remove Hizb ut-Tahrir’s ability to operate in the UK and, together with international partners, its ability to operate around the world, where we can do so? Will he update the House on the Government’s action and its impact, afterwards if necessary? I understand the need for some of that action to be taken without giving a heads up, but we would like to see the outcome and whether it has had an effect, so that we can support future action and be clear that it will achieve what the Government intend.

I wholeheartedly agree with the comments made by the hon. Member for Brigg and Goole about the Antisemitism Policy Trust and Danny Stone. Danny is an absolutely dedicated public servant who does a huge amount of good in supporting his community and bringing advice and information to parliamentarians, ensuring that we are all far more knowledgeable as a result.

Will the Minister update the House on whether the Government have made a further assessment of whether to proscribe the Islamic Revolutionary Guard Corps? It continues to be the SNP’s position that sanctions are not enough and that proscription of this organisation is required. If he can assure us that this is being kept under a watching brief, that would give us at least some reassurance that the Government have not entirely ruled it out and that it could be considered in the future. We ask that that organisation be proscribed too.

I thank the Minister for introducing this order, and I agree with the timescale. It is relatively unusual to have legislation come forward this quickly, but in this case we are happy to support it because of the speed and haste with which this has to be done in order to ensure that Hizb ut-Tahrir can be proscribed. We support the UK Government’s proscription of the organisation. We hope that the action taken by the Minister, his Government

[Kirsty Blackman]

and everyone mentioned by those on the shadow Front Bench, including the security staff and the police, will ensure that such organisations cannot continue to operate. We support the work that they are doing, and we hope that it pays off. We hope that we have positive results as a result of the action that the Government, the security services and the police are taking. As I say, we are happy to support the proscription in this case.

12.21 pm

Sir Iain Duncan Smith (Chingford and Woodford Green) (Con): I rise to support the Government. The proscription of Hizb ut-Tahrir is overdue, but it is always good when it happens. I continue to welcome my right hon. Friend the Minister to his position. Both of us, of course, have been sanctioned by the Chinese Government, and I may touch on this in a second.

The proscription of Hizb ut-Tahrir is overdue because it has been well known for quite some time here that the UK has been at the centre of operations. I am always concerned about how long it sometimes takes us in the UK to openly recognise that there are forces at work within this United Kingdom, using our freedoms and our judicial system to protect themselves while they promote the most ghastly behaviour and attitudes. After all, Hizb ut-Tahrir is an antisemitic organisation, as my hon. Friend the Member for Brigg and Goole (Andrew Percy) and my right hon. Friend the Minister have already made clear. Antisemitism is at the core of its whole being. It is not an organisation that is passingly antisemitic; antisemitism is its core belief.

Let us be clear that the killing of Jews is a priority for Hizb ut-Tahrir, and its activities here in the UK, as a result of the protection it is no longer to have, have influenced a lot of people who do not really understand what is going on in the middle east and who settle on the idea that Hizb ut-Tahrir is somehow espousing the views of a people who are persecuted abroad. It is not; Hizb ut-Tahrir is talking about the persecution and eventual eradication of the Jewish people.

Hizb ut-Tahrir is antisemitic and racist, as my hon. Friend said. It has also supported other groups in their attacks on Israel, as has been said already. Hizb ut-Tahrir celebrated the October murders and the taking of hostages, and it has encouraged terrorism globally, but it has also provided excuses for some of the nonsense being said at the moment on some of the marches. People do not seem to understand what the organisation is saying. I support my hon. Friend's call to make sure that its online activities are sought out and shut down, and that those involved in them are prosecuted under the criminal code. That is critical, so I welcome my Government's decision to proscribe Hizb ut-Tahrir.

It is worth bearing in mind—I want to come back to this in a second—that, as my hon. Friend said earlier, there are 79 terrorist organisations proscribed here in the UK, and this will now add to that. I want to come to the other bit here, which is to do with the IRGC. I will not spend too long on this, but I want to make this point, because these organisations are linked. We are proscribing an organisation that is dangerous, vile, antisemitic and abusive, but there is another organisation whose fingers extend into all these organisations around the world and here in the UK: the IRGC. It makes possible much

of what goes on in terms of the attitudes towards antisemitism, the attacks on people in a democracy, and the misogyny and homophobia within these organisations. It is not just one element; it is complete.

We know now that, since the attacks in October, Iran has accelerated its executions of those who have protested against the current regime. An astonishing number of executions is now taking place, under cover of what is going on in Gaza. It is quite appalling. We know that the IRGC is behind Hezbollah. It directs, it arms and it makes sure that Hezbollah acts as its arm in Lebanon and beyond. It is attacking Israel right now to keep Israeli forces tied up in northern Israel for tactical reasons.

The second part is that we are now engaged in trying to protect our shipping in the Red sea. Who is supplying the Houthis rebels—the terrorists—with arms and direction? It is Iran, which has upped its supply of rockets to the Houthis. When the Foreign Secretary says to Iran that it has some responsibility for this, as I think he did quite recently, Iran's response is, "Mind your own business and leave that alone." It is still supplying the Houthis with weapons and, if we do not get our action right, they could shut down the Red sea for all trade.

When I was approached by somebody who had been protesting, I asked, "Are you aware of what is going on here?" They said, "What does it matter? These people in Israel are persecuting the Palestinians in Gaza, so they're right to do this." I replied, "So you don't mind massive inflation hikes and huge extra costs. You don't mind the fact that trade cannot travel down the shorter route and all the other considerations." They just looked at me blankly, because they had not understood what we were talking about. Right now, Iran is directly involved in what is going on in the Red sea to try to shut down the free world's business arrangements and affect the cost of goods.

Another part of it is that Iran was quite clearly involved in the attacks that took place in October on peaceful Israeli citizens and others, the murders and the hostage taking. How does it benefit from this? Iran knew that Israel would have to respond. That was exactly what the whole plan was: to launch a vile attack, murder enough Jews and make sure that Israeli territory was invaded, so that Israel was bound to attack.

I am not going to spend time debating exactly how far Israel should have gone or any of that, which is a separate issue. My personal view is very clear: Iran is linked to Russia, and what is going on takes the attention off Russia and divides America's ability to supply arms and weaponry. It creates a major debate, which is going on in the United States at the moment, about giving supplies to the Ukrainians to defend themselves, and it also takes the attention away from China's aggression towards Taiwan.

Iran is part of the axis of authoritarianism which also includes China, North Korea, Russia, and now Syria and others in the middle east. Iran is very dangerous, and the IRGC is the arm of the Iranian Government. Not only is Iran behind all the attacks, but it continues to persecute Christians to a degree that we simply cannot understand. Executions, incarcerations and abuse are taking place, as we heard yesterday in a report delivered here in the House of Commons.

What do the Government plan to do about the IRGC? America has asked the British Government to proscribe it, and we simply have not yet responded. I asked a

nameless individual who is involved with this, and with the Government, why they have not proscribed the IRGC. They said, "It keeps a back channel for us to get America through to Iran." I said, "What? We now have to act as a back channel for the Americans? Don't we think the American Government are quite capable of finding ways to engage Iran if they have to?" They then said, "Well, of course we would lose our ability to influence Iran." I asked them, "Exactly what influence have we had over Iran in the last five years?" They said, "The release of hostages." I said, "No, you didn't. You paid for those big time, and they were hostage-taking for that." We have no influence over Iran. Iran is dangerous, and the IRGC is the arm of that threat around the world.

With two Iranian banks sitting in the City of London, we know how the money is transferred to support some of these organisations, creating some of the nonsense on the marches. Most people do not understand what "From the river to the sea" means, notwithstanding the fact that Hassan Nasrallah made it very clear that the chant means clearing the Jews out of Palestine, and Israel being gone. It is as simple as that. He said that that is what it means, yet people chant it and the Metropolitan police still does not seem to understand that it is an aggressive, antisemitic chant.

I have a Jewish sister-in-law who told me the other day that she has never felt more under threat and less safe in this country in her whole life. What a statement to make in this United Kingdom, which upholds freedom of speech and the rule of law—that a Jewish person now feels desperately under threat just getting up and going to work in the morning. That is simply not right and we need to deal with it. Who is behind all this? The IRGC.

In his concluding remarks, will the Minister please address this issue? It is more than high time. This is a cross-party issue; I know that those on the Opposition Front Bench have called for it. We have to face this. The IRGC must now be proscribed and the banks of Iran shut down in the UK. The IRGC can no longer continue to use the UK as a base for further operations. I congratulate the Government on their decision on Hizb ut-Tahrir, but we should go a lot further. We need to protect our citizens.

12.32 pm

Christian Wakeford (Bury South) (Lab): I congratulate the Government—I will not say that too many times—on taking the important and welcome step of banning the extremist antisemitic, misogynistic and homophobic group that is Hizb ut-Tahrir. I echo the comments of the hon. Member for Brigg and Goole (Andrew Percy) about the 136 hostages still in Gaza. One message that we can all get behind is to bring them home now.

This group poses a threat not only to democratic institutions but to people, including the vast majority of the Muslim community here at home. Hizb ut-Tahrir, or HUT, as I will refer to it, has blighted our shores and specifically our university campuses for years. It has run meetings and distributed leaflets, including one that described Jews as "cowards" and called on Muslims to "purify yourselves against the deceptions of the Jews".

On the Israel-Palestine conflict, it has called for "the elimination of the monstrous Jewish entity, restoring all of Palestine to the lands of Islam".

If that is not an organisation preaching hatred, I do not know what is.

Anti-racism campaigners including the Union of Jewish Students have been particularly alive to the threat, and its officers have run campaigns over many years, including, successfully, to have the group outlawed by the National Union of Students as early as 1994. Despite that, UK HUT activists have sought to circumvent such efforts. Reports have emerged that between 2022 and 2023, keynote speakers from HUT spoke to 10 separate campuses over 18 months, including in Bradford and Birmingham, and at the London School of Economics. The speakers included Luqman Muqem, a prominent figure on the HUT website, who spoke five times at the University of Birmingham, despite having posted videos online in which he said that Muslims must fight Jews to the death and voiced support for the attack on Sir Salman Rushdie.

HUT has a long history of using front groups on campuses. For example, radicals from the group have sought to pass themselves off as the One Nation Society, the Democracy Society, the Islamic Front, the Muslim Media Forum, the Muslim Current Affairs Society, the New World Society and the 1924 Society. In changing the legislation, will the Government also look at those organisations to ensure that HUT can find no further loopholes to preach its hatred on university campuses? Such groups were observed at universities across the country, including in Nottingham, at Queen Mary and, locally to me, in Manchester. Concerns have been raised about how the group might have continued to undermine our legal and official systems using those front groups.

The Antisemitism Policy Trust's Danny Stone, who has rightly been mentioned several times in the debate, highlighted to the Public Bill Committee for the Higher Education (Freedom of Speech) Act 2023 the danger of HUT, in its many guises, misusing the new free speech protections in order to solicit compensation. It is therefore extremely welcome news that that potential loophole is now firmly closed, but I ask the Minister to confirm that front groups, aliases and other masks will not be enough to prevent HUT's members from being identified and prosecuted.

This move will be welcomed not only by me: numerous others—individuals such as Sir Anthony Glee, and groups such as the CST and HOPE not hate—have called for HUT to be proscribed. Although I welcome today's move we need, as the right hon. Member for Chingford and Woodford Green (Sir Iain Duncan Smith) said, to go further and proscribe the one group that is not only providing funding but destabilising entire regions: the IRGC. That is more important now than ever, considering the last 100 days or so. Both groups are antisemitic; they blatantly repeat those tropes time and again. I have mentioned that in this Chamber, on the streets, in Westminster Hall and online, and will continue to do so, because we need to highlight what an evil organisation the IRGC is.

Both organisations perpetuate homophobia, suggesting that both Labour and the Conservatives should not be trusted because of our work to protect LGBT communities. Again, that is not welcome in a modern, tolerant society. The IRGC rails against what it defines as the "secular, democratic, liberal system", and in favour of a global caliphate. These are freedoms and rights that we have worked hard to earn, and we will protect them with every ounce of our being, because that is the right thing to do.

[*Christian Wakeford*]

Worldwide, HUT has reportedly been behind attempted coups in Jordan, Syria and Egypt, again with the backing of the IRGC. The IRGC is also in Yemen, backing the Houthis, in Lebanon with Hezbollah, and in Gaza with Hamas. Those activities are not limited to foreign countries: we see them on the streets in this country, which is why we really need to tackle the threat of the IRGC seriously. When we see Hamas operatives here in the capital, that is a step too far. This move from the Government is important and correct. It is slightly overdue, but it is welcome. I thank the Minister for coming to the House to highlight it, but we need to go further.

12.38 pm

Mr Alistair Carmichael (Orkney and Shetland) (LD): I place on the record my support, and that of my party, for today's measure. The right hon. Member for Chingford and Woodford Green (Sir Iain Duncan Smith) gave a lot of important international context, particularly in relation to recent events in the Red sea and in Yemen. I will spare the House a repetition of what he said. I simply place on the record the fact that I very much endorse his analysis of what is going on there, not least because it brings into sharp relief the role of the IRGC. As others have said, it seems as if the focus of our attention must now turn in the direction of the IRGC. If it is any consolation to the Minister, I think it has emerged from today's debate that a consensus to proscribe the IRGC would be easily constructed.

Whether to proscribe Hizb ut-Tahrir is not a new debate; it has been going on for a considerable time. I think it was back in 2011 that David Anderson, the Government reviewer of terror legislation, advised against proscription on the basis that the group was not advocating violence. Clearly, we are in a different situation today, but I mention that because I feel slightly conflicted about the speed with which we have moved. We should be slow to ban any organisation because, as a society, it is not something we should do lightly. However, once the evidence is there, as it clearly has been for some time and as it has been in relation to the IRGC, then, as the hon. Member for Barnsley Central (Dan Jarvis) said, that raises questions about whether our processes for making such decisions are adequate.

Obviously, it is important to take this step as part of our domestic legislation at the moment, because not to do so would send the worst possible signal to those in the Jewish communities who have felt so embattled since the events of 7 October. I hope they will take some comfort from the fact that action of this sort has been taken against those who have preached, and done more than preach, antisemitism.

However, there is a wider legislative context. As important as it is to proscribe organisations like Hizb ut-Tahrir, that is only part of a bigger plan. It seems that many of the other tools in that fight, such as the Prevent strategy, are not achieving the goals we need them to achieve. They are overdue for a proper root-and-branch review. Let us not forget that a spiral emerges here: we see the growth in antisemitism and antisemitic hate crime, but that in turn produces a growth in Islamophobia. So we do not proscribe Hizb ut-Tahrir in the interest only of Jewish communities, but in the interest of Muslim communities as well.

The tackling of extremism, of which that is just part, has to be at the heart of finding a long-term and sustainable way of approaching the issue. I encourage the Minister to speak again to his colleagues in the Home Office, in particular about the Prevent strategy. We know what we want it to achieve but, as we view it today, I have serious concerns about its ability to deliver what we need it to do.

12.42 pm

Jim Shannon (Strangford) (DUP): Truly, the world is becoming a hostile place. The more we watch what happens across the world, the more we are convinced of the evil intent of many. I thank the Minister for his statement, clarity and strength of intention. I know that my party will fully support him, as we always do when it comes to these matters.

The reasons for the proscription have been clearly outlined by others. It is important that we do something in relation to the Hamas murders of 1,200 innocent Israelis, the taking of hostages, the continuing war of aggression and their view about the annihilation of the Israelis. In the UK, we want to play our part. The Minister has outlined how we can take on the terrorist activities and intentions of those who march in the streets and think they have a status above the law of the land. Today, quite clearly, they do not, and we welcome that.

The right hon. Member for Chingford and Woodford Green (Sir Iain Duncan Smith) always speaks with much wisdom and brings forward issues that we all endorse in their entirety. The proscription of the IRGC is critical because it funds, trains and gives weapons to many terrorist organisations across the world. We need to take that proscription a stage further, on top of this one, and do that with a zest. I am ever mindful that 79 organisations have been proscribed already.

As a Northern Ireland MP, I am obviously aware of the issues, as is the right hon. and gallant Member for Tonbridge and Malling (Tom Tugendhat), from his personal point of view, having served in the Army and now as the Minister for Security. The Real IRA and the New IRA have been most active, and the threat level in Northern Ireland is at a height we have not seen for some time. There have been a number of demonstrations across Northern Ireland and we are ever mindful of international terrorism, as those who want to murder, destabilise, kill, maim and destroy come together, wherever they may be from.

I am conscious that it is not always appropriate for the Minister to answer certain questions in the Chamber, but I want to put on the record my concerns about the connections between IRA republicanism and international terrorism. During the demonstrations that have taken place across Northern Ireland, things were said and done that should never have been done in this great United Kingdom of Great Britain and Northern Ireland, where I am a great believer in unity and being better together.

On commitment by police forces, has the Minister had the opportunity to speak to the forces here on the mainland and to the Police Service of Northern Ireland, to ensure that they collectively take on Hizb ut-Tahrir, the terrorist organisation proscribed today? I am sure he has, but it would be nice to have that on the record. It is important that we are unified on the issue, as we are in the Chamber, especially when it comes to intelligence

gathering and working collectively. Police forces need to be able to exchange their points of view and the intelligence that they gather to ensure that they protect our citizens across this great United Kingdom of Great Britain and Northern Ireland, which we all have a duty to do. The proscription today is a step in the right direction, but I hope the Minister can provide some reassurance on my final points.

12.46 pm

Tom Tugendhat: I pay tribute to Members for the tone in which the debate has been conducted. I place on record my thanks to the hon. Member for Barnsley Central (Dan Jarvis); it is a pleasure to stand with him again in protecting our country's interest, this time a little closer to home. I also pay tribute to the hon. Member for Halifax (Holly Lynch), who was with him on the Opposition Front Bench earlier. She was an extremely able predecessor in his role and a great help.

I repeat the hon. Gentleman's thanks to the intelligence services, who have done so much to prepare the evidence in various different ways which has enabled us to support these various actions, although much of the information has been public, so it has been able to prepare it in the usual way. I thank him for his comments about the way in which this work has been done. As he recognises, it has been a little quicker than we would normally go, but I am grateful that the Scottish National party and the Labour party recognise that there is an urgency to this matter and have supported it.

I will briefly answer the hon. Gentleman's questions about the timing of the proscription. This is, quite rightly, detailed legal work. The judgment has to be made extremely carefully. It must be not only lawful but proportionate, and we must get that balance right. As others have mentioned, proscription is an extremely powerful tool. It is not a political tool or to be used at the whim of a Government or Minister to silence critics or debate. This tool should be used only to protect the British people from terrorism—that is its purpose. We need to make absolutely clear that we are using it appropriately and only when necessary. All of us in this House, I hope, support freedom of views and freedom of expression. We have all heard things we may not like, but we would defend the right of people to say them, and we must ensure we are extremely careful about that.

The hon. Gentleman raised a question about the definition of extremism. As he knows, we are working on that. I pay a huge tribute to those working on that and to the Government's countering extremism adviser, Robin Simcox, who has been an extremely important voice in much of the debate. I thank Members on the Opposition Front Bench for their support.

I turn to my hon. Friend the Member for Brigg and Goole (Andrew Percy), who has been a good friend of mine, but more importantly a good friend to his community for a very long time. He is tireless in the campaign against antisemitism. He rightly identifies what we are seeing today as being in the mould of the fascist movements of the 1930s. We could easily mistake some of the words on the works of Hizb ut-Tahrir as coming from the voices of some of the fascist leaders of the 1920s. They bear a stark resemblance to them. He is absolutely right that the online activities must be banned, and he will be pleased to hear that they are: all activities by this group are banned.

My hon. Friend is also right to say that Jews should not be afraid to be in London at any time, and certainly not on a Saturday or a Sunday, when many people want to go out shopping or just to be with friends and family. These protests, sadly, have not only been vile demonstrations of some of the worst parts of our community, but radicalising moments in themselves. I know the police are aware of that; the Home Secretary and I have both spoken to them about that.

Christian Wakeford: I thank the right hon. and gallant Member for giving way. He joined me on the march against antisemitism several weeks ago when tens of thousands of people were saying no to Jew hatred. May I use this moment to say that there is a similar march in Manchester this weekend? If any Member wants to join us to say no to antisemitism, they would be more than welcome.

Tom Tugendhat: The hon. Gentleman will see me again on Sunday, as I will be there with him.

Sir Desmond Swayne (New Forest West) (Con): May I suggest to my right hon. Friend that his Department look into the possibility of confining marches to a static location? The fact is that all people are currently being inhibited from attending central London at weekends and that is having a significant impact on commerce and shopping in the west end. I would not want to see demonstrations inhibited by having costs imposed on them, but it seems a perfectly reasonable compromise after so many marches to have static locations.

Tom Tugendhat: I thank my right hon. Friend for his suggestion. I shall certainly take that away and I am sure that my colleagues in the Department will come back to him.

May I just turn to the remarks of the hon. Member for Aberdeen North (Kirsty Blackman)? She rightly praised the Union of Jewish Students in Aberdeen and the work that it has done. The union has done some incredibly important work around the United Kingdom in our universities, which have seen a rise in antisemitism on their campuses. I have already spoken to Universities UK and the Russell Group about that. We simply cannot tolerate this. It is simply unacceptable to see students excluded from education because of the vile hatred of others. It is wrong. It is unBritish and it will not be tolerated.

The hon. Lady will understand—I hope that she forgives me—why for very obvious reasons I will not go into the actions that the police and other organisations may be taking, but she can be assured that conversations have been had that will lead to actions as soon as possible to ensure that this proscription, once authorised by both Houses, will not be sitting idly on the books and will be enforced as she would rightly expect.

Kirsty Blackman: Just before the Minister finishes on that point, will he commit to updating us, even if it is some time down the line, about the impact that those actions have had, to assure us that they have worked?

Tom Tugendhat: Absolutely, I will do that. I hope the House forgives me if I sound slightly coy in the way that I put this, but I will update the hon. Lady as soon as I can in the most appropriate way possible.

[Tom Tugendhat]

I now turn to the comments of my right hon. Friend the Member for Chingford and Woodford Green (Sir Iain Duncan Smith), who noted that we were both sanctioned by the Chinese state. I can add both the Iranian and Russian Governments, and after today, I think he will be joining me in at least one of those. What we are seeing is a pattern of violence, as he rightly identifies. It has spread out of Tehran over many decades and has had an influence on many different groups, including, as he correctly identifies, in the Red sea in this latest episode of Houthi piracy. We are incredibly aware of that, which is why the Government have rightly taken action. The Prime Minister was absolutely clear immediately that we should stand not just with our American allies, but with many others around the world in making sure that we defend freedom of navigation and that we protect those people working on ships, who are from very diverse backgrounds and have been targeted by this violence in recent months. Sadly, we have seen the murder of crews and ship workers by Houthi rebels in the Red sea, and it is right that we take action. I am grateful to the Prime Minister for his clear and determined response.

My right hon. Friend the Member for Chingford and Woodford Green also raised the question of dealing with state actors in this matter. This is something that he and I have discussed in the past. I draw the House's attention to the recent introduction of the National Security Act 2023, which gives extraordinary and extra powers to our intelligence and police services to make sure that they may take action not just against intelligence services but against any who are supporting them and working with them. It is not, I admit, the same as proscription, but it does give a huge range of authority to our community to make sure that it is properly defended against the threats that we see.

It would be wrong of me to comment further on proscription options that we may be holding in reserve. As Members will know, for very clear reasons these are matters that we do not discuss until we are ready to announce them. None the less, it is absolutely right to say that we are taking the state abuse of our citizens, or the intervention of states in our Government or economic processes, extremely seriously. That sits alongside the National Security and Investment Act 2021 and hopefully demonstrates clearly to the whole House that we will not tolerate foreign interference or foreign aggression

on our soil, or illegitimate uses by foreign intelligence services of organisations within the United Kingdom that are designed to do us harm.

The hon. Member for Bury South, who I will be seeing on Sunday, also spoke about front groups, and he was absolutely right to do so. If there are aliases or name changes, provisions can be changed quickly. That is covered under the Terrorism Act 2000. Should it be necessary, we will update the House, but Members can be assured that simply changing a name does not avoid proscription.

The right hon. Member for Orkney and Shetland (Mr Carmichael) spoke about advocating violence and the challenge of radicalisation in what we are seeing. I draw the House's attention to the fact that the independent reviewer of Prevent, Sir William Shawcross, has just published his report. He has done what I think is a magisterial piece of work, which highlights areas where we need to update and change policies. We have accepted his recommendations and are in the process of making sure that the Prevent duty, as it applies to this country, is there to help and protect families across this country not just from the effects of violence, but from the effects of radicalisation. The pain that many families must feel when their children are torn away into these cult-like organisations is horrific, and it is quite right that we protect families from every community across this country.

That is where the hon. Member for Strangford (Jim Shannon) is right as well. Of course this action applies across the whole of the United Kingdom and of course we will be having conversations with police forces across the whole of the United Kingdom. I regularly communicate with the PSNI, which is a very important part of our national police presence and a very effective police force. I am grateful to the hon. Member for his comments and support. This action is about protecting the whole of the United Kingdom against terror. Sadly, his part of the United Kingdom has experienced far too much of that, although I remember very clearly, as a child here in London, the effects of Northern Irish terror being felt on the underground and on the buses, where, sadly, too many people were also killed and maimed.

On that, I thank the House for this debate. I hope that this motion will go through as intended to ensure that this country is better protected.

Question put and agreed to.

Resolved,

That the draft Terrorism Act 2000 (Proscribed Organisations) (Amendment) Order 2024, which was laid before this House on 15 January, be approved.

Backbench Business

Loan Charge

12.59 pm

Sammy Wilson (East Antrim) (DUP): I beg to move,

That this House is deeply concerned that HMRC has confirmed the suicides of 10 people facing the Loan Charge and that, despite the Morse Review, thousands face unaffordable demands, with the risk of further suicides; notes that HMRC has also confirmed 24 cases of serious harm, including 13 suicide attempts; believes that many people who used schemes were victims of mis-selling, and that in other cases employers and agencies pushed people into using them, yet HMRC is demanding all disputed tax from scheme users, not from those who recommended, promoted and operated the schemes; further notes that section 44 of the Income Tax (Earnings and Pensions) Act 2003 deems agency workers to be taxable as employees of those agencies and that HMRC should have collected tax from agencies at the time; criticises HMRC transferring the liability to individuals despite its own failures; observes that HMRC is pursuing open enquiries for schemes before 2011 despite the Morse Review; also notes that HMRC is seeking additional payments from those who settled; further believes that the Morse Review was limited and not genuinely independent of HM Treasury and HMRC; highlights the resolution proposed by tax professionals; calls on the Government to work with all parties to find a fair resolution and for a full independent investigation, including into the conduct of HMRC; and believes that taxpayer rights must be enshrined in law and enquiries closed after four years if HMRC fails to act.

Before we start the debate, on behalf of my party, I pass on our condolences to the family of Tony Lloyd. He served for a short time as the shadow Minister for Northern Ireland. I always found him to be very courteous and well informed, and he wanted to be well informed. He asked the right questions and was always prepared to engage, even though he often did not agree with some of the stands we took. He was always happy to engage with all the parties in Northern Ireland, and we pass on our condolences to his family.

Madam Deputy Speaker (Dame Rosie Winterton): Order. I am slightly concerned that there is something wrong with the sound. Let us start again.

Sammy Wilson: Thank you, Madam Deputy Speaker. I hope that the point I was making about Tony Lloyd was picked up. I want to pass on the condolences of our party to his family, and I pay tribute to the work he did as shadow Minister for Northern Ireland.

I thank the Backbench Business Committee for granting the debate. It is a timely debate and I know that the many thousands of people across the United Kingdom who have been affected by the loan charge in a very detrimental way will be glad that it is being considered in this House. Over the past two weeks, we have been looking at the dramatic fallout of the Horizon scandal at the Post Office and, quite rightly, we have been focusing on what belatedly can be done to repay and to deal with that great injustice. I say to the House—I do not think that I am being overdramatic when I say this—that we are looking at another Horizon scandal, and the parallels are frightening.

First, because of the actions of a Government Department, 10 people in the United Kingdom have committed suicide and many others have attempted to take their own lives because of the pressure they were

put under by officials and by statute passed by this Parliament. We have heard time and again in evidence to the loan charge and taxpayer fairness all-party parliamentary group of the disruption and disaster this has caused in many families.

Secondly, despite the fact that alarm bells should be ringing in the Treasury, no action has been taken. Indeed, some Ministers have even refused to meet the group. Others have simply put out the party line and regurgitated the excuses of His Majesty's Revenue and Customs for what is happening.

Wera Hobhouse (Bath) (LD): Does the right hon. Gentleman agree that it seems to be the case yet again that people acting in good faith are being prosecuted and pursued, whereas the people who absolutely knew what they were doing are getting away scot-free?

Sammy Wilson: That is a point I want to come to.

We are seeing that once again Ministers are turning a blind eye, and these lessons should be learned. Apart from two examples of Ministers that I can think of, one of whom—a former Minister—is present, Ministers turned a blind eye for years. We then had the result, but it was not until an ITV programme brought this matter to the nation as a whole that action was taken.

We have had attempts by HMRC to justify what it has been doing. In the past, postmasters and postmistresses who had unblemished records for years were accused of being thieves. We are now being told that the people who HMRC is chasing today are—to use its words—“serial tax evaders”. Minister, I have to say that when I read the letter that you—

Madam Deputy Speaker: Order. The right hon. Gentleman knows that he does not address the Minister directly, but through the Chair.

Sammy Wilson: When I read the letter that the Minister sent to the joint chairs of the all-party group, he started by once again reminding us that

“As you are aware, disguised remuneration schemes are contrived tax avoidance arrangements that seek to avoid Income Tax and National Insurance contributions”.

It is almost like a warning: “Don't be taking up these cases, because these are bad people that you are talking about.” That is exactly parallel to what we found with the Horizon scandal.

Chris Stephens (Glasgow South West) (SNP): I agree with how the right hon. Gentleman has introduced the debate. He mentioned the scale of how HMRC is going after people caught up with the loan charge. Is that not in stark contrast with how multinational companies are entering into sweetheart deals with HMRC, such as Google and Vodafone?

Sammy Wilson: Indeed, it is, and I will come to the issue of HMRC chasing the individuals, rather than the promoters.

Mr Tanmanjeet Singh Dhese (Slough) (Lab): Will the right hon. Member give way?

Sammy Wilson: Let me just make this point: it seems that HMRC is going after those whom it regards as easy targets. The promoters of the scheme have not paid one penny, despite the fact that they have made hundreds of millions of pounds from the schemes, have mis-sold them and have disappeared when there is any attempt to get at them. The promoters are not being pursued and, indeed, HMRC has admitted that it does not intend to chase after the promoters, and yet individuals are being harassed to the point where many of them have taken their own lives.

Mr Dhesi: I congratulate the right hon. Member on having secured today's debate, especially given that at least 10 people have sadly committed suicide. It is of course essential that disguised remuneration schemes are dealt with fairly and effectively, but why does he think the Government and HMRC have not actively pursued the architects and promoters of the scheme, rather than the victims who have been led into the schemes?

Sammy Wilson: The answer is easy: the victims are easy targets. They are the ones who are easy to chase. The promoters of the schemes have all kinds of means of defence. Many disappeared when they realised that they may well be pursued. This is the baffling thing, and maybe the Minister can explain it: if these schemes are designed as contrived ways of avoiding tax, why is HMRC not pursuing even some of the new promoters who are establishing themselves today and who will have disappeared by tomorrow, once it is seen that their schemes are being challenged?

Sir Robert Buckland (South Swindon) (Con): I am grateful to the right hon. Gentleman for his courtesy on this occasion. I share his comments about Sir Tony Lloyd, who was a member of the Northern Ireland Affairs Committee, which I chair.

The right hon. Gentleman makes an important point about the regulation of promoters. Where is the regulation of those individuals? This is an ungoverned space. Surely, as they are trying to sell financial service products, they should at least come under the control of the Financial Conduct Authority. We have to not just focus on what has happened in the past, but look at what is happening now, where innocent people are being exploited.

Sammy Wilson: I intend to come on to that point.

The parallels, as I say, are frightening. I ask myself this question and the Minister should be asking it of himself, too. In one, two, four, five or 10 years' time, will we see the same embarrassment and see Ministers who parroted the Department's line being asked the question, "Why did you not raise the alarm at the time? Why were the explanations not challenged, and why were the calls for help not heeded?" That should be a salutary warning to Ministers.

Gavin Newlands (Paisley and Renfrewshire North) (SNP): It is very unusual that I agree with every word the right hon. Gentleman says—*[Interruption.]* I am being generous. The simple truth is that HMRC failed to police this issue. Many people made HMRC aware of their involvement in the schemes and it took HMRC years to get back to them or even to look into the issue. That is one of the real crimes here.

Sammy Wilson: I am glad the hon. Gentleman agrees with everything I have said today. I think he has even dressed to show that agreement, with his red, white and blue outfit, and I appreciate that very much. Maybe he has become a Unionist as well—even for a day, that would be something of a miracle.

Let us look at the role of HMRC and the approach it has taken. It has been rightly pointed out that there should have been much more supervision within HMRC of what was going on. HMRC is now saying that it believes that many of the people who used payroll loan schemes should have been paying pay-as-you-earn, but at the time HMRC was not challenging the schemes, and the promoters were able to say they were legitimate. For years, people were acting in the belief that they were legitimate and were no risk. And here is the ultimate irony: HMRC employed people on contracts to do work for it, knowing that those people were being paid in that way, and never challenged it. That being the case, we have to ask what the level of supervision was, or whether HMRC changed its mind and then, having done so, decided to go after the individuals who had undertaken those schemes.

Some people will argue, "Well, it's their own fault. After all, they knew that when they went into one of these schemes their tax liability may have been reduced. If people did that, they took that risk." The fact is that many people did not volunteer to go into those schemes. Many people were forced into them. Some people were put into those schemes and did not even know they were in them. As far as they were concerned, they were employed by a contractor and their tax was being deducted, and they only found out later on that that was not the case.

By the way, this was not rich people employing fancy accountants to tell them how to avoid their tax. Many of the people caught up in the schemes were ordinary workers—nurses, teachers, cleaners—and some were people who wanted to set up a company and, because of the flaws in IR35, this was the only way of dealing with their tax affairs. People did not always volunteer to go into the schemes. One of the ways we discovered that HMRC was involved in this was that one lady came to us and said, "I was employed by an IT consultancy, the contractor was working for HMRC and the only way I could get the job was to be paid through one of these schemes. I did not particularly want to, but I wanted the work, so I had to enter into the scheme."

HMRC, apparently, was quite happy for that contractor to pay its workers in that manner. In many cases, if people wanted to work, they were forced into these kinds of schemes. For years, although it was quite clear that there was an employer-employee relationship and they were under the direction and supervision of a company, they were treated as if they were separate stand-alone employees or individual self-employed people who could pay tax in that way.

The result was, of course, that when it was decided that the schemes were not tax compliant and there were years and years of back tax, Ministers were persuaded to introduce the loan charge in the Finance Act 2017. It was very convenient for HMRC to have that arrangement in place, because using the loan charge enabled it to decide what tax an individual was liable for and people could not challenge it in the normal way tax disputes can be dealt with, through either tribunals or courts.

That was ruled out for them. In many instances, HMRC did not even have to explain how the tax bill was reached. If people do not have any redress to a court or tribunal, they really have no chance of negotiating whether or not the tax they have been deemed liable for is a liability and a correct liability.

Added to that was the fact that many employers saw the schemes as an advantage, because they could employ people without paying employment taxes or having to deal with pensions or holiday pay. That is why many employers forced individuals to be paid in that way. Those who argue, “Look, these people tried to avoid paying tax, so slap it up them now, they have reaped the consequences and they should just grin and bear it.”, should bear in mind that thousands of people are affected by this because they were impotent to stop that method of payment being used and were told by the promoters that it was all compliant and that there was no risk. In fact, 93% of those in the schemes were assured there was no risk and that they were compliant.

Indeed, they probably were compliant until, in later years, HMRC decided they were not compliant. People were left with tax investigations going back to 2010, which have resulted in many of them finding it impossible to pay. I want to mention a couple of case studies, because the confusion in HMRC made it very difficult for people to settle. HMRC did not seem to have the capacity to tell people. In one particular case, an individual was told after six years, “You owe £91,000.” He wanted to settle rather than be put in the loan charge. He was told, despite the fact that that was not in the criteria, “We don’t believe you can afford to pay £91,000 on the terms you have given.” So no settlement was granted and he was put in the loan charge, and the man who could not afford to pay £91,000 was then hit with a bill of £124,000. He could not afford to pay £91,000 in a settlement, but he was pushed into a loan charge where he had to pay £124,000.

We have the back charges, tax years that people thought were closed have been reopened, the confusion and some people now have to pay more in tax than they actually earned. HMRC does estimates; I think one person was told, when an explanation was sought of why they owed so much, that it was because everybody else paid that amount—and of course there is no redress.

Ashley Dalton (West Lancashire) (Lab): I congratulate the right hon. Gentleman on bringing such an important debate to the Chamber. I have been contacted by several constituents who have described themselves as victims of this situation. Does he agree that those people who are being asked to pay what my constituents describe as incomprehensible amounts of money, while their employers and the people who provided those schemes are not being pursued for one penny, are victims, but are assumed to be criminals? Does he agree that they must be treated as victims and that this must be covered by a truly independent inquiry?

Sammy Wilson: That brings me to the very last point—I promise it is my last, Madam Deputy Speaker. I will simply list the points and other people can take them up and expand them later on. There are a number of issues the Minister must consider. First, while I have no evidence of this, we have been told that HMRC officials, just as Post Office officials were, are on commission for the

money that they bring in through the loan charge. The Minister must confirm whether that is the case, because if so, it would act as a huge incentive for them to pursue individuals relentlessly.

Secondly, I trust that the Minister, in his new position, will challenge the Department’s lines on this matter. We need a greater challenge than we have had so far. Thirdly, I believe that the loan charge needs to be repealed because it is not fit for purpose and is having a detrimental effect. Fourthly, the employers and promoters must be pursued. Under the law, they were responsible for collecting tax from the employees. That is the basis on which tax demands are now being made of people—that they were employees, not self-employed.

Fifthly, of course we recognise that the Government have to collect tax when it is due, but the current method of pursuing this will not bring in tax revenue because people are going bankrupt. A group of professionals has proposed that the Government could claim back an affordable proportion of the tax that is owed. They would get at least some tax revenue out of it while stopping this relentless pursuit of individuals. In the longer run, I think we need a Bill of rights for taxpayers, and for tax fairness to be built into legislation, but that is a matter for a longer debate.

There are people who are suffering today because they are being battered by the cosh that HMRC officials are using on them to extract money that they do not have and which many of them do not believe they owe. I ask the Minister to grasp this nettle and ensure that we do not have another Horizon scandal.

Madam Deputy Speaker (Dame Rosie Winterton): As colleagues can see, this is a very well-subscribed debate, with another debate to follow. In order to give equal time to Back Benchers throughout the afternoon, my advice—I would rather not put a time limit on—is that colleagues stick to about seven minutes. I am sure that Greg Smith will lead the way.

1.22 pm

Greg Smith (Buckingham) (Con): I will do my best, Madam Deputy Speaker. I congratulate the right hon. Member for East Antrim (Sammy Wilson) not only on securing the debate but on the incredibly powerful and eloquent way in which he opened it—I entirely endorse his speech.

Indeed, alongside the right hon. Gentleman and the noble Baroness Kramer, I serve as co-chair of the all-party parliamentary group on the loan charge and taxpayer fairness. It is through that lens, and given the many constituents of mine who are victims of the loan charge, that I have become profoundly troubled by what I can only describe as one of the most significant crises faced by British taxpayers, certainly in my living memory.

The loan charge has haunted, and is still haunting, thousands of our constituents throughout the country, bringing with it a train of despair and destruction that should weigh heavily on HMRC and all of us in this House. To date, an estimated 60,000 people have been affected by the loan charge. Tragically, as has already been said, 10 of those people have come to the tragic conclusion of ending their own lives. I invite the House to reflect on a retrospective HMRC tax policy that has led to 10 people—I pray no more—ending their lives.

[Greg Smith]

Those are not numbers on a page; they are human tragedies. Each one is a poignant reminder of the injustices felt by individuals who are still grappling with the devastating consequences of the amount of money asked of them—in some cases, more than they earned in the first place—as the right hon. Gentleman mentioned. The profound impact of the loan charge extends its reach far beyond mere statistics and financial repercussions. It is a devastating narrative that encompasses contractors, freelancers and agency workers from all walks of life. Those professionals, seeking compliance under IR35 legislation, took and followed professional guidance in good faith.

Drew Hendry (Inverness, Nairn, Badenoch and Strathspey) (SNP): On the point about taking advice and being led by agencies and promoters, does the hon. Member agree that it is simply scandalous that none of those agencies has been pursued by HMRC for their part in this, and that that further heightens the injustice felt by those who are being pursued?

Greg Smith: That is a point on which we have consensus. It is outrageous that promoters have not been pursued. The all-party parliamentary group has considered and taken evidence on that, and I will certainly continue to push that point in this debate and for the weeks, months and years ahead, in trying to get justice for all the victims of the loan charge and holding to account those who gave that advice, who, I suggest, knew what they were doing.

Dean Russell (Watford) (Con): I thank my hon. Friend for giving way and the right hon. Member for East Antrim (Sammy Wilson) for securing the debate. Does my hon. Friend agree that protecting the coffers of the state should never take precedence over protecting the lives of our constituents?

Greg Smith: My hon. Friend makes an incredibly powerful point with which I entirely agree. Part of the ask of this debate and of the all-party parliamentary group on the loan charge and taxpayer fairness is a fair settlement that people can actually afford to pay; that takes into account—dare I say it—reality; and that understands what people actually earn and that they acted in good faith and took the professional advice that I mentioned a few moments ago.

Wera Hobhouse: Will the hon. Gentleman give way?

Greg Smith: One more time.

Wera Hobhouse: The hon. Gentleman is being generous. Is it not the case that what we need is proper transparency in how Government bodies operate? When so many people see these problems again and again, that really undermines trust in Government.

Greg Smith: I agree with the hon. Lady. Of course we need transparency across all walks of life—Government or otherwise. The right hon. Member for East Antrim referred to the Horizon scandal and the Post Office. There is a clear similarity, and there needs to be an inquiry and serious action. How can a body of the state—the Post Office in the case of the Horizon scandal,

and HMRC in the case of the loan charge scandal—be autonomous in being judge, jury and executioner at the same time? We simply have to take that away. Checks and balances must be built into HMRC if we are to see justice for the loan charge victims, as well as for victims of any other scandal that might well come about.

I could say much more on this subject, but I am mindful of the time limit that you have set, Madam Deputy Speaker. I am incredibly grateful to my hon. Friend the Minister for his letter yesterday offering a meeting with the all-party parliamentary group. I hope that we can get that meeting in the diary as soon as humanly possible so that we can have meaningful dialogue on how to get to a settlement, a review of HMRC practices and justice for the loan charge victims. Given the colleagues whom I have seen bobbing, particularly from the Conservative Benches, I suspect that we will hear many more powerful stories and testimonies from victims of the loan charge, whose lives we should see as totally valuable and deserving of our attention and of justice.

1.29 pm

Gerald Jones (Merthyr Tydfil and Rhymney) (Lab): I am grateful for the opportunity to speak in today's debate, and I congratulate the right hon. Member for East Antrim (Sammy Wilson) on having secured it. I thank the Backbench Business Committee for granting the debate. I declare my membership of the loan charge and taxpayer fairness all-party parliamentary group.

As we have heard, this is a long-standing issue that continues to have an impact on the health and wellbeing of thousands of people right across the country, including residents of Merthyr Tydfil and Rhymney. Among them is my constituent, Geraint Owen, whom I have met on a number of occasions over a long period of time. He and other victims of this scandal have experienced considerable frustration in attempting to deal with HMRC.

The way HMRC has dealt with this issue has caused unbelievable hardship, distress and anxiety for large numbers of the people we serve. This sorry saga bears striking similarities to the Post Office/Horizon scandal, which we have heard so much about in recent weeks. Ordinary people up and down the country are being asked for unrealistic payments, which is causing huge financial hardship, bankruptcy and worse, such as the risk of losing their home and an increased risk of suicide. There are real concerns that this is another scandal where the Government have ignored the alarm bells and cries for help, so I urge them to revisit it and ensure a fairer and more effective approach.

This debate is a huge opportunity to highlight the injustice of the loan charge scandal. At a recent meeting of the all-party group, we heard more harrowing stories about how people's lives had been ripped apart by the loan charge. The Government's approach has meant that ordinary people who were victims of mis-selling are facing huge bills, which is causing them untold distress and personal harm. Tragically, the number of suicides linked to this scandal has reached double figures. Clearly, Labour supports attempts to tackle tax avoidance schemes, but that is not what we are talking about in this case. The fact that there have been so many shocking accounts of harm and distress suffered by people liable to the loan charge, including those we heard at meetings of the all-party group, demonstrates how the Government's approach has gone badly wrong.

Labour has consistently called for a fair and effective approach from HMRC instead of the current approach, which is extremely tough on those caught up in these schemes. We are clear that the 2019 Morse review cannot be the final word on this matter. We tabled an amendment to the Finance Act 2020 that would have forced the Government to review the impact of the scheme and the fairness of HMRC's implementation of the policy, and a proposed new clause to the Finance Act 2022 that would have required the Chancellor to commission an independent review to consider HMRC's approach to the loan charge scheme and make recommendations on how it should be altered; it would also have required the Government to explain to the House of Commons what efforts they had made to guarantee the review's independence.

We need a fair and effective approach from HMRC instead of the current approach, which is extremely tough on those caught up in these schemes, but weaker on their architects. As the all-party group previously suggested, the tax burden should not fall solely on the individual users of the schemes, but should be shared by the employers and agencies and also, ideally and appropriately, the operators and promoters of the schemes. On that basis, the Government should change course and announce a fairer approach.

We must remember the human impact of the loan charge: as we know and as I touched on earlier, HMRC has confirmed that there have been 10 suicides of people facing the loan charge; it has also confirmed that there have been 13 suicide attempts. That in itself should be enough reason to stop this cruel retrospective policy. I urge the Government to accept that there is something deeply wrong with their current approach to the loan charge scheme.

Reports to the Treasury Select Committee last October stated that around 40,000 people still face the loan charge, meaning that four and a half years on, there are still many unresolved cases. The current approach has not worked: HMRC is still trying to resolve tens of thousands of cases, and 10 families have lost loved ones to suicide. This whole sorry saga is cruel and unacceptable. Action is needed now. The Government must think again. When ordinary people who are the victims of mis-selling face financial ruin and personal harm because of the way the loan charge has been pursued, action must be taken urgently. I hope that in summing up today's debate, the Minister will address the points I have made.

1.34 pm

Sir Iain Duncan Smith (Chingford and Woodford Green) (Con): I will try not to repeat everything that has been said, but it is very difficult not to. One thing relevant to this debate that I discovered in government, and that I have constantly observed, is that HMRC is a very peculiar Department. HMRC is unaccountable; it is the only Department that does not publish accounts every year, so there is no scrutiny of moneys lost or failed to be gained. HMRC acts independently, with many civil servants going on radio and television, not reliant on Ministers to take the responsibility for them. That has been one of the biggest problems: the backdrop to this issue is that HMRC operates almost with impunity. I have seen Ministers come and go at the Dispatch Box who are told one thing by HMRC, leave their position and then come back and say, "I did not know half of the stuff that was going on." I simply say that there is a problem with HMRC.

Drew Hendry: Regarding the way that HMRC works, campaigners have often asked to see draft documents that are hidden from them—for example, they are not able to see a draft of a report. One of the things evident in the Post Office/Horizon/Fujitsu scandal is that holding back information is detrimental to justice. Does the right hon. Member agree that that information should be made available wherever it is practical to do so?

Sir Iain Duncan Smith: Absolutely, which brings me back to the point I was just making. I mean no insult to the civil servants, who work very hard; it is simply that the culture of HMRC is one of impunity. It does not behave like many other Government Departments. We have problems with other Departments—I ran one, so I know what that is all about—but HMRC acts very differently from them, and ultimately it is protected by the Treasury. That is where one of the biggest problems arises, and it is why it is so difficult to get any information out of HMRC, because even the Ministers who are in charge of it seem unable to command or direct it to provide that information. I make that observation from having worked in government.

Sir Robert Buckland: My right hon. Friend is making a very powerful point about HMRC. It was the product of a forced merger of the Inland Revenue and Her Majesty's Customs and Excise by, I think, Gordon Brown and the Labour Government. The merger was rushed—they were pushed together—and HMRC has never enjoyed the proper scrutiny and ministerial involvement that it should have received. Does my right hon. Friend agree that now is the time for a root-and-branch review and a change to the nature of HMRC—retaining its independent functions, of course, but allowing for greater ministerial oversight?

Sir Iain Duncan Smith: I agree. I did not intend my speech to head off down this track, but I will observe that it has now become clear that HMRC is unable to find any legal basis to justify its claim that it has to pursue individuals, but not those who promoted the schemes. HMRC has tried to deny that for some time, but it has now become very clear; even its head, the permanent secretary, has stated that

"In recent months I have repeatedly tried to obtain legal analysis to understand the strength of our claim with very little success. For yesterday's hearing we were initially given a summary of avoidance wins, some of which seemed to have nothing to do" with the schemes. I simply say that HMRC still cannot justify the legal basis for pursuing individuals and not going after those who promoted the schemes.

Sir Robert Buckland: Will my right hon. Friend give way?

Sir Iain Duncan Smith: I am conscious of time. If my right hon. and learned Friend will forgive me, others have to speak, and I am going to try to stick to Madam Deputy Speaker's prescription. I apologise to him.

I will quickly raise the cases of three of my constituents—Gareth Lloyd, Joe Green and Karen Duberry—all of whom have been facing terrible impositions. I am sure many colleagues have seen similar cases. Gareth Lloyd says that

[*Sir Iain Duncan Smith*]

“Facing and now paying the loan charge has meant years of stress with a constant stream of demands and letters from HMRC...when I should have been enjoying watching my young family grow up I’ve been constantly at fear of potentially losing our home.”

Joe Green says

“Nine years of worry, nine years of anxiety, nine years of not knowing what to expect from HMRC other than continual bullying tactics to try and extort monies from me”

with threats. Karen Duberry says that she was

“Shocked and alarmed when I learnt of the loan charge. I felt alone, scared, threatened and worried for me and my family...The mental stress on me and my family has been immense”.

We know that because at the far extreme of these cases, people have committed suicide, but there are many other problems between the extremes. All these people deserve a process that is better, fairer, open and reasonable and that goes after those who originally promoted the schemes. These people were under the impression—as was the case—that the schemes were quite legal.

The important point is that HMRC conjured up a retrospective process to deal with this, which is appalling. Historically, that has not been done—you deal with where you were at the beginning—but HMRC felt it had lost a whole load of taxation and did not want to blame itself. What it did was to go after those individuals, threaten them and cajole them.

An inquiry took place, but it now appears that the Morse review was not entirely independent. I gave some evidence, as many did, to the original inquiry, and I assumed at the beginning that it was completely independent. In fact, it turns out that it was not. HMRC got to see elements of the report before it was even published, which is astonishing to me as we were given a clear understanding that it was to be independent. There is much more that needs to be done, and that review is by no means the end of it.

I was surprised when my right hon. Friend the Member for Hereford and South Herefordshire (Jesse Norman), who was the Minister at the time, said:

“We...have plans under way to crack down further on the promoters of these avoidance schemes.”

It turns out that he did not. Why is a Minister allowed to stand at the Dispatch Box to make a statement drafted by civil servants, which we then find out is not right? He was not right: HMRC was going after the individuals, not those who promoted the schemes. As we have discovered, HMRC has no legal basis for doing that, so the whole thing has become a terrible mess.

I congratulate those who brought forward this debate, because there is so much more here that needs to be said. I just want to conclude by saying that this has been going on for too long, with laws changed retrospectively, denials about what HMRC was doing, bullying and intimidation, and a failure to come clean about the processes engaged in all of this. It is so familiar; as the right hon. Member for East Antrim (Sammy Wilson) said, we are in the middle of the problem over the Post Office, and we see the same things in that process. We have been seeing the same denials, protections and pretences with the loan charge for a long time. It is very clear now, and I hope the Minister agrees, that we are long past the point where we need to start recognising that this is not the way for any Government Department to behave when dealing with an issue such as this that has clearly created a huge problem.

My constituents and many others who have faced this issue should not be pursued in a way that treats them from the start as a criminal, rather than as somebody involved in something that HMRC never said was illegal at the time, but is now pretending that it is. I hope the Government will now recognise that we do not want to see a repeat of what happened with the Post Office scandal as a result of HMRC’s bad behaviour.

1.42 pm

Sarah Green (Chesham and Amersham) (LD): I start by thanking the right hon. Member for East Antrim (Sammy Wilson) for securing this important debate, and by acknowledging the many thousands around the country affected by the loan charge. I know that some of them are in the Gallery today, including some of my own constituents. I pay tribute to their dignity and determination in pursuing their cause. I will focus first and foremost on the fundamental unfairness of the loan charge, but also, as has been mentioned, on the Morse review and the need for greater transparency.

I have been contacted by a number of people whose lives have been turned upside down by the charge. While it is not possible for me to give voice to all of them today, I would like to share one story that I think speaks to the experience of many.

“I have been forced to raise huge sums, including borrowing from my mother and by borrowing huge sums against my home, leaving me in a position where I cannot plan for my own or my family’s future. The impact on my mental and physical health and my relationships has been huge and I am in genuine fear for my future wellbeing if HMRC is allowed to continue unencumbered.”

Another constituent in great distress told me how she made the difficult decision to have an abortion, based on concerns about affordability stemming from the loan charge. Combined with the number of suicides that have taken place, this paints a truly harrowing picture of the impact this unfair charge is having.

The report by the loan charge APPG published in 2020 found that there was direct interference in the Morse review by both the Treasury and HMRC, and that both organisations made clear attempts to direct the review from the outset. Given the tragic impact of the charge and the public interest in this matter, surely it is time the Government set up a genuinely independent review that achieves a fair and final resolution for all.

I shall end by raising a final point about the need for greater transparency. Late last year, one of my constituents was successful in overturning the Information Commissioner’s decision to allow the Treasury not to release the final draft of the loan charge review. The original freedom of information request was made in December 2020, yet over three years later the material has still not been released. My constituent tells me that their attempts to obtain the documentation have been met with what they consider to be “deliberate attempts” to avoid FOI obligations, including being told by the Treasury that the information had been destroyed, then that it could not be found and eventually that it was prohibitively expensive to locate it. Such lack of transparency undermines trust in our institutions and must be addressed. I hope the Minister can assure me that the Government will look into this particular matter and take all reasonable steps to ensure that the information is released as soon as possible.

With over 50,000 people directly impacted and the tragic death of 10 people, it is vital that we do everything we can to find a fair and final resolution to the loan

charge scandal. To gain public trust, far greater transparency from HMRC and the Treasury is needed. Most importantly, we need a new and genuinely independent review to take place.

1.46 pm

Sir Desmond Swayne (New Forest West) (Con): If, as Ministers insist, the law was clear in 2010, it would have been entirely unnecessary to have the 2017 legislation open up previous tax years, because my constituents who have been affected by this mis-selling scandal—for that is what it is—made their tax arrangements entirely clear in those years and were unchallenged by HMRC within the proper windows available. It was entirely unnecessary, and the reality is that the vendetta that HMRC is now pursuing, notwithstanding the obfuscation of the written answers to parliamentary questions, is exclusively against the victims of that mis-selling scandal.

Happy are those Members of this Parliament who were not here in 2017 and did not vote in favour of the Finance (No. 2) Bill of 2017, which contained the measure that is now torturing so many of our constituents. We are culpable for not having spotted, not having asked about and not having examined the consequences and implications of the measure that was brought before us. It is a measure that cries foul against every tenet of proper legislation with, first, its retrospective aspect, and secondly, its taking away from our constituents the right to appeal to a tribunal with an administrative or quasi-judicial process to have their case fairly considered. It made HMRC both judge and jury in their case—and what a judge and jury it turned out to be!

We now come to another of these debates in which we recount the latest injustices and enumerate the rising tally of suicides, and the Minister will in all probability make the same speech as his predecessor made the last time. I ask hon. Members: what is the point? The point, as I see it, is that it affords a recurring opportunity for hon. Members to recant what the House did when it created this injustice. Drip by drip and Member by Member, the tally will increase, and ultimately it will reach the public consciousness.

The right hon. Member for Kingston and Surbiton (Ed Davey) served on the all-party group, and we are indebted to him for his chairmanship when he was in the chair of the group. He has been hounded over the last few weeks and found himself in a very unfortunate position for being the postal affairs Minister at the height of the Horizon scandal, notwithstanding the fact that he was lied to on an industrial scale. Nevertheless, it has been very uncomfortable for him to have the charge that he did not ask the right questions, he did not pursue it enough and he did not spend time with the victims. Let that be an object lesson to us and to all those Ministers who stood at the Dispatch Box giving us flannel and peddling the fiction that the limited inquiry was in some way independent.

My advice to my hon. Friend the Minister today is this: set aside the brief that you have been given, and end this debate by just saying that you have sat here, you have heard what we have said and you are going to go away and ask the awkward questions and spend time with the victims. Because ultimately this will reach the public consciousness—we may even have our own TV drama; the reality is that there is plenty of scope for

such a drama—and when it does reach the forefront of public consciousness, we will rue the day that we did not take the action when we could.

1.51 pm

John Mc Nally (Falkirk) (SNP): That was a phenomenally good speech. I also congratulate the right hon. Member for East Antrim (Sammy Wilson) on securing this debate and for his powerful and passionate speech, which was very impressive. I also thank the all-party group on the loan charge and taxpayer fairness and the Loan Charge Action Group for their diligent work on this very serious issue, and indeed my own constituents who have suffered greatly from this total injustice.

On 7 July 2021 I stated in this House that the loan charge was going to be the next Post Office scandal, and just look where we are with that today. Will it take another modern form of the stocks by way of a further ITV drama to expose and publicly humiliate HMRC or the Government into some action on the loan charge scandal? Unfortunately, it would seem so, but I certainly hope not.

As others have said, a vitally important part of the loan charge scandal is that these ordinary people were contract workers doing a job of work for somebody or some organisation that simply needed their services. Most importantly, they were workers, and as workers they were entitled to protection under the agency rules. The agency rules determine that their employer—be that the agency, the umbrella company or another body in the supply chain, or the end client itself—was liable to deduct the correct amount of PAYE and pay that to HMRC at the time, before paying the worker their salary. These companies simply did not do that. HMRC was well aware of the arrangements and, as has been said, did not pursue for tax any of the entities as the workers' employer. HMRC was also well aware many years down the line that it was legally out of time to do so.

HMRC had, and still has, a duty to establish who the employer was and who was directing, controlling and supervising the worker who had been supplied. It has not done so; it has failed time and again to do so. Hence the invention of the retrospective loan charge to get around that very inconvenient and uncomfortable fact. It is entirely unacceptable to continue to hound ordinary workers with no rights or funds for legal defence against such a powerful Government body as HMRC.

This has all the hallmarks of the Post Office scandal. What is really vexatious and concerning is that HMRC continues to hoodwink MPs into believing that it is going after the promoters who put the workers into this abominable position, when we all know it is not doing so. A further issue is that these groups of companies—these promoters—that sold arrangements to freelancers have not only not been asked to pay a penny of the disputed tax, but their arrangements—“arrangements”—have caused the death of poor souls who were so distressed by the way they had been hounded and criminalised by HMRC that they took their own lives. We all know that HMRC has stated that a total of 10 people have taken their lives over this scandal; the figure is likely to be far more in reality, in this awful and unravelling scandal.

The number of people affected by the Post Office scandal is likely to be dwarfed by the number affected by the retrospective loan charge scandal, purely and simply because of the number of people affected—between

[John Mc Nally]

60,000 and 70,000 at the last count by HMRC, with the figure likely to rise far higher. Too many ordinary people are facing huge bills, and many of them have been suffering untold distress for many years, and in some cases personal harm and indeed suicide because of this ongoing retrospective loan charge scandal. The whole thing is an absolute mess.

I am sure that Ministers must by now be mindful of all these serious issues, so will the relevant finance Minister and the Government now speedily commit themselves to finally commissioning a truly independent review to deal with this mess wholly of HMRC's own making, and thereby allow us as MPs and parliamentarians to help to right this grievous wrong?

1.56 pm

Sara Britcliffe (Hyndburn) (Con): This is such an important issue for our constituents and I am very grateful to the right hon. Member for East Antrim (Sammy Wilson) for bringing it to the House. It has been mentioned that, given the recent examples that have exposed excesses of power in public bodies, it is only right that the loan charge and the way it is infringing on the rights of individuals is debated in this House. One particular case in my constituency brought this issue to my attention, and it highlights several problems with the way HMRC has tried to combat disguised remuneration schemes through the loan charge.

The way in which HMRC is retrospectively trying to obtain income tax and national insurance contributions raises important questions. The first of them is that the law on tax should be knowable and accessible to the people to which it applies. Based on the case that I have seen in my constituency, that was clearly not the situation. Many individuals who worked for agencies simply did not know that their pay would one day be subject to a disputed tax argument with HMRC, because the loan charge did not exist or because they were mis-sold such schemes by hiring agencies. Added to this fundamental trespassing on the rights of individuals is the fact that we cannot continue with the situation whereby a public body is pursuing retrospective actions against our constituents with them having no right to due process.

Paul Scully (Sutton and Cheam) (Con): First, I thank the right hon. Member for East Antrim (Sammy Wilson) for his kind words about my time as postal affairs Minister.

My hon. Friend is making the point that this is a really good example of why retrospective policy is not a good idea. There is the fact that HMRC needs to use its investigatory powers, which outstrip those of policemen, proportionately; the fact that it should be going after the practitioners and promoters of these schemes, which it can do under the Rating (Coronavirus) and Directors Disqualification (Dissolved Companies) Act 2021 that I passed a few years ago; and the fact that it should not be going after contractors, consultants and self-employed people who the Government and many Government institutions treat as tax evaders as the default, as was seen with the 3 million excluded during covid who felt they did not get the support that others did.

Sara Britcliffe: That brings me to one of my main points. These are ordinary workers. These are our constituents. They are not fat cats; they have not got

offshore bank accounts. They are not like that. These are ordinary members of the public who desperately need our help.

That brings me on to another point, which is how HMRC is handling these cases. It is not unfair to say that it is hardly a lesson in how to handle dispute resolution or customer service. One of my constituents received a letter some four or five years ago telling them that HMRC was withdrawing the information notice it had sent in the post. As far as my constituent was concerned, that was the end of the matter and they could get on with their family life. There was no contact for a further three years, but now HMRC has informed my constituent that withdrawing an information notice is not the same as withdrawing its concerns and that, in any event, it is not aware of the reason for the withdrawal in the first place and it would like to revisit the matter. I say to Ministers that the situation is untenable. HMRC cannot have the power to suddenly request tens of thousands of pounds from individuals, appear to drop a case and then revive it on a whim, without any explanation at all. That is an exercise in excessive power by a public body.

We should be going after the disputed tax from those who promoted and operated the schemes and who made huge amounts of money doing so. I understand that might be more complex, but that should not be a barrier. We should be protecting ordinary workers from abuses of power and pursuing those opaque and monied bodies that sought to game the system. I will end on that note. I echo the point that these are ordinary people we are trying to assist. It is time that the Government acted.

2.1 pm

Neale Hanvey (Kirkcaldy and Cowdenbeath) (Alba): I begin by thanking the right hon. Member for East Antrim (Sammy Wilson) for bringing forward this incredibly important debate. The issue has been live for far too long, and the damage that has been inflicted on thousands of ordinary workers—whether freelancers, contractors or temporary workers—and their families by the loan charge is distressing. The comparison that he drew with the Horizon scandal is real. This is a serious injustice, but what is different from the Horizon scandal is that at least the Horizon victims had the appearance of justice. It may not have been justice, but they had the appearance of it.

As the hon. Member for Buckingham (Greg Smith) made clear, HMRC has persisted and acted as judge, jury and executioner with a ruthlessness that I cannot believe. I have been in meetings with HMRC and it has advised me, "We will never put people under enormous pressure. We will not take more than 50% of their disposable income to recover the costs," but that is simply not true. The ferocity with which it has gone after my constituents and the amounts of money it has demanded are eye-watering—it is completely impossible for my constituents to meet its demands.

Sir Iain Duncan Smith: A simple point occurs to me: the real similarity between the Horizon programme and this situation is that those who were prosecuted under Horizon and put in jail and so on had it put about by the Post Office that they were greedy people who had stolen money, so the public at first did not have any sympathy. Similarly, in this matter, HMRC has basically said that they were greedy people evading tax that other

people then had to pick up and pay. The public still have not picked up on that. These people were not doing that—that is the key point—and breaking through that will get public support for something to change.

Neale Hanvey: I thank the right hon. Gentleman for that point. Not only were the victims of the loan charge victims of mis-selling; they are now the victims of HMRC's pursuit of them for every penny they can possibly earn. That is not just now, but for future years, so that point is incredibly important.

It is important to remember that we had an opportunity a number of years ago to write off the retrospective element, with new clause 31 to the Finance Bill, which was supported by the loan charge and taxpayer fairness all-party parliamentary group. Unfortunately, because of the timidity of some Members, that new clause was not put forward for a vote. That is deeply regrettable.

It is important that I speak about my constituents, who are my main concern in all this. Four years ago, I spoke about the horrific plight of my constituent Doug Aitken, who was facing a bill of £500,000. To pay that off, he would lose his house and his car. As a self-employed person, he would lose his business, because he would be bankrupt. The Government simply did not listen. He was one of those who had successive completed and closed tax years that were reopened by HMRC, and he was being charged exorbitant, unjustifiable and unjustified rates for all the supposed earnings he had secreted away.

Today I want to speak about another constituent of mine, Alan Geddes, who has a disposable income of £360 a month. The payment demanded by HMRC from Mr Geddes is £783 a month for the next 12 years. That is not the only charge it is asking him to pay; it is also asking him to pay £50,000 up front.

Andrew Bridgen (North West Leicestershire) (Ind): The hon. Gentleman and many other colleagues across the House have made analogies in their excellent speeches between the horrors of the Horizon Post Office IT scandal and the scandal around the loan charge, which has affected so many of our constituents. I will share with him and the Chamber another analogy: is he aware that HMRC also uses an apparently bombproof system from Fujitsu?

Neale Hanvey: The hon. Gentleman makes a very interesting point to which I think Members from all parts of the House will pay close attention. I thank him for doing so.

Not only is HMRC asking for £50,000 up front, but it has put a £50,000 lien against Mr Geddes's home. Although his disposable income has now dropped below £360 a month because of the cost of living crisis, HMRC has suggested that perhaps they should renegotiate his terms to bring the rate down to £361.13. However, to get that new rate, he needs to give HMRC another £50,000. Those other charges would then continue for a further 12 years. The question is: what planet is HMRC on? These shocking figures exclude interest being added to allow the payments to be spread over 12 years. It is clear daylight robbery.

Ministers in the Department have previously advised me that approximately 80% of the £3.4 billion that HMRC has recovered through disguised remuneration

settlements between the Budget of 2016 and the end of March 2022 has been from employers. Am I therefore correct in presuming that that figure is £2.72 billion? Given that the sum that HMRC expected to be brought into charge from employers has already been exceeded, why did it need to pursue loan charge customers for 100% of the tax plus interest, plus accelerated payment notice penalties and plus inheritance tax, particularly when it was fully aware that customers had already suffered a 15% to 20% deduction on their earnings through the mis-sold schemes?

Additionally, I would like to learn why HMRC continues to pursue customers with loans from before December 2010, given that Morse already pardoned those with no open inquiries on the basis that the law was not clear. Those key factors could all be addressed, because HMRC has the facility to amend its settlement terms. It requires no legislation or change in the law. I hope that the Minister will ask HMRC to apply the same treatment to those who have already settled.

Members across the House have been screaming on this issue until we are hoarse. We have sent repeated letters, including ones sent by 120 MPs. We have had publications put out by the APPG and debates in this Chamber, but it is simply not enough. People are on the brink and in despair. If we are to prevent any more constituents from resorting to suicide, we must urgently deal with this issue and grapple with it in a way that was not done with the Horizon scandal.

Several hon. Members *rose*—

Madam Deputy Speaker (Dame Rosie Winterton): Order. Because some colleagues have taken slightly less than seven minutes, I have a bit of leeway. I do not want speeches to be extended massively, but if colleagues wish to speak for perhaps a couple of minutes more than seven, I would be content with that.

2.9 pm

Sir Jacob Rees-Mogg (North East Somerset) (Con): May I join the congratulations to the right hon. Member for East Antrim (Sammy Wilson) on securing this important debate? This is why Parliament exists: we are here to seek redress of grievance from an overmighty Executive who abuse their power. This is a classic example of the state abusing its power through aggressive tax collection.

Why is it that in the Bible the tax collector is seen as the villain on almost every occasion the tax collector is referred to? It is because the tax collector seeks to extract more than is by law allowed. In our system, it has always been the case that the job of the tax collector is to raise the tax set out by Parliament—not a penny more, nor a penny less. It is not for the tax collector to squeeze out extra from people if that was not intended.

We know from this discussion that HMRC did not think there was anything wrong with these schemes early on. How do we know that? As the right hon. Gentleman pointed out, it employed people using these schemes. So we are saying either that HMRC is so incompetent that it has no idea about the basis on which it is employing people, or that actually, because it saved some money, it thought these schemes were licit. The other thing we know is that constituents of ours sent in tax returns acknowledging that they were using these schemes, and HMRC did not question them.

[*Sir Jacob Rees-Mogg*]

Then, in a panic, worried about the tax receipts that were coming in—2010 is an important date when tax receipts were very low and the country had an enormous deficit—a squeeze gets put on, and that squeeze becomes retrospective. But retrospective legislation is basically unconstitutional except in extraordinary circumstances. Whenever there is any retrospective part of legislation, it has to be specifically approved and cleared by the Attorney General before it can be brought before the House. Why is that? It is to safeguard the constitutional right that people know the basis of the law under which they are operating. That is surely proper, because with retrospective legislation people who have behaved properly and honestly and followed the law that Parliament had passed suddenly find that they had not. That is entirely unfair and unreasonable, and it could criminalise any of us for actions we committed years ago.

Dean Russell: Does my right hon. Friend agree that in all these scandals, the presumption of innocent until proven guilty has been turned on its head, and we see the presumption of guilt and one being unable to prove one's innocence? To use a biblical analogy, this is not so much David versus Goliath; it is David versus an army of Goliaths, and David has had the slingshot taken away from him.

Sir Jacob Rees-Mogg: My hon. Friend is absolutely right. HMRC, through the amalgamation of the Inland Revenue and Customs and Excise, has extraordinary powers. Customs and Excise historically maintained extraordinary prerogative powers—much greater, actually, than those of the Inland Revenue—and the coming together of those two bodies has brought a more aggressive culture to our tax system. It is a culture that assumes that taxpayers, following the law as they understand it and indeed as HMRC understood it, may be doing something wrong. That is a bad principle under which to operate. Members need, as we are, to look after the interests of constituents who are being affected in that way.

We need to allow people to know that their tax affairs are cleared after an inquiry has not been opened. That is set out: there is a 12-month period in which tax returns remain open and a seven-year period under which people have to keep records, and yet we have passed retrospective legislation that overturns all of that. My right hon. Friend the Member for New Forest West (Sir Desmond Swayne) was absolutely right that those of us who were here in 2017 should be appalled that this got through without being noticed and without being stopped. What he said to the Minister was absolutely right: we should look carefully at the ministerial responses.

HMRC is in the odd situation of being a non-ministerial Department. It is not properly accountable. With most Departments, the Minister says “Go” and—at least theoretically—they go. With HMRC, its independence is such that it can effectively ignore ministerial control. But that should work two ways. If the Minister cannot control HMRC, he should not read out the rubbish that it provides for him to read out from the Dispatch Box, and he should be well aware of the warnings given of Ministers who have either been willing to read out things that turn out in future to be untrue, or not asked the right questions.

I very much look forward to the speech by the shadow Minister, the hon. Member for Bristol North West (Darren Jones), because he has the advantage of independence. Not having gone native by virtue of being in the Treasury, he can bring—I hope—an independent mind to this. Bearing in mind that there will be an election this year, and who knows what may happen in that and what responsibilities may fall upon his shoulders, it is really important to know that the Opposition are on the side of proper constitutional practice.

The whole point of our system is that we come here, as we have done since the 13th century, to seek redress of grievance for our constituents when they are badly treated. This is a classic example, and Governments are absolutely appalling at answering it. People have mentioned the Post Office, but it is not just that; it is Hillsborough and infected blood. For some strange reason, Governments have a desire to defend the mistakes of long since past Administrations, and they do that to the disadvantage of constituents today. I hope that on this occasion it will not happen, or at least it will not continue to happen.

There is an ability to set it right, and there is an ability for the House to do more. If HMRC is not producing documents, we have things up our sleeves that the House can do to continue to exert pressure—the Backbench Business Committee can allow Humble Address motions to be tabled—but it would be so much better if the Minister at the Dispatch Box, who is one of the most able and intelligent Ministers in this current Administration, were to grasp this and deal with it to save our constituents from further pain—and, frankly, put HMRC in its box.

2.17 pm

Hywel Williams (Arfon) (PC): It is a pleasure to agree with so many right hon. and hon. Members, which I must say is a novel experience for me. Looking at the history of this scandal, it reminds me of the time when many of our constituents were claiming working tax credits. Sometimes those credits were overpaid, and they would receive letters from the Revenue, which were standard letters but had individual clauses stitched together to give the semblance of having been personalised. One such sentence is etched on my memory. It goes like this:

“Even though we told you that your assessment was correct, it was not reasonable for you to believe so.”

[*Laughter.*] Thank you. This, though, is an extremely serious matter. As I thought about how I would approach the debate, I thought that I would tell the story of my constituent, Rob Cowen, who was a victim of the loan charge scandal. I do, however, speak today for other colleagues in Plaid Cymru, and particularly my right hon. Friend the Member for Dwyfor Meirionnydd (Liz Saville Roberts), who cannot be here, though she would wish to be.

While some people gained financially through the use of umbrella organisations and services, Rob Cowan was using the scheme on advice as a simple accounting service so that he could be paid legally and conveniently, as so many other people found. He had sought advice from accountants, who assured him that the product he was using was legal; only later did he find out that it was not.

Rob has suffered immensely since then. Back in 2011 when he was in his early 50s, he was considering winding down his business, changing his work pattern, moving from full-time to part-time work and enjoying the fruits of his work over many decades. He then started receiving communications from HMRC, informing him that he

was liable to pay back thousands of pounds due to the loan charge. That forced him back into full-time work, but that aggravated a repetitive strain injury that he had developed over the course of his working life. Eventually, that led him to becoming disabled, so he could no longer work and make an income to pay back the money due under the loan charge.

At the age of 63, Rob found himself unable to work and unable to pay back the money that allegedly he owes, and he faces a very bleak future. He now has no savings and no ability to work. He cannot pay HMRC the money that it says he owes. He has suffered psychological and physical trauma from this ordeal, as have so many. To give just one example, which I am sorry to say is common, he told me recently that he was unable to switch on the heating during this very cold period. He cannot afford it, as so many people have found.

Hannah Bardell (Livingston) (SNP): I thank the hon. Gentleman for sharing that powerful example. I have constituents in my Livingston constituency who have suffered and who have come to see me. As the right hon. Member for North East Somerset (Sir Jacob Rees-Mogg) spoke about the other scandals that we have faced and challenged in this place, I was reminded of the Primodos scandal, and the words of Baroness Cumberlege, “First do no harm”. It should be the duty of the Government of the day, and of this place, to first do no harm to our constituents. When harm is done and policies are wrong, as this one has been proven to be, surely it is the duty of Government and HMRC to take some responsibility, and not to put the hon. Gentleman’s constituents, my constituents and others through hell before they get the justice that they need. How many more folk need to die before this will be sorted out?

Hywel Williams: I thank the hon. Lady for that powerful point. It is an old saw, but justice delayed is justice denied, which is quite obviously the case in this matter.

My constituent also points to the stigma associated with what has happened to him, as other right hon. and hon. Members have pointed out. He feels that he is in the wrong; he is being made to feel that he did something wrong but he acted in good faith throughout, sought expert advice and followed the advice that he was given, because he had no intention of doing anything wrong. In contrast, as has been pointed out—I will finish on this point—the owners of the companies that ran these schemes have made considerable sums of money. Rob feels that he has been denied a fair hearing, while other people have got away with it.

As the hon. Member for Buckingham (Greg Smith) said, HMRC is judge, jury and executioner in its own case, which is obviously wrong. People are receiving retrospective punishments even though they acted in good faith. There must be justice for Rob Cowen and the other victims of these schemes and of HMRC’s behaviour. I join the calls on the Minister to act quickly.

2.22 pm

Sir David Davis (Haltemprice and Howden) (Con): In the interests of time I will try not to repeat all the self-evident truths that have been stated throughout this debate. The right hon. Member for East Antrim (Sammy Wilson) made a characteristically fluent exposition of the case. Everyone, from him through to my right hon.

Friend the Member for North East Somerset (Sir Jacob Rees-Mogg), reiterated essentially the same point: all of a sudden, in the last few weeks, the public have become aware that huge state or quasi-state organisations put their own interests ahead of the interests of the public and, unfortunately, that is not abnormal behaviour. The right hon. Member for East Antrim quite rightly characterised that as being repeated in a high-handed and insensitive way by HMRC but, frankly, I think he understated the point.

Why do I think that? Because HMRC has referred itself to the Independent Office for Police Conduct over those 10 suicides and some other attempted suicides and self-harm. When dealing with Government Departments, that is as close as we get to a confession. Those at HMRC know they have done wrong, and they have known it for some time. They have known that the consequences of this have led to death and enormous harm to people, yet they have continued to do the same thing over and over again. How on earth do they justify that when they look at themselves in the mirror?

The only thing I can come up with is that HMRC thinks this is a deterrent. Clearly, it will not raise that much money—three quarters of people will go bankrupt—so maybe it is a deterrent. If it is, that brings us to the next question that the right hon. Member for East Antrim raised: why does it not go after the promoters? The promoters exacted 18% to 20% of the incomes of these people in carrying out this scheme, so there is a large sum of money there—someone said hundreds of millions. It may even be that the victims of the scheme—that is the right word—thought that was the tax deduction, because it was of that order of magnitude. Why has HMRC not done that? We know that many of the organisations using those promoters and contractors were state organisations, including HMRC itself. That might be a reason—it does not want to embarrass itself. It might be because of that that it is complicit in covert advice to those contractors at the beginning. It is entirely possible that HMRC approved it, and those documents are hidden away in HMRC.

What is the answer? My right hon. Friend the Member for Chingford and Woodford Green (Sir Iain Duncan Smith) was not quite right in saying that HMRC is completely protected. There is one body—the Public Accounts Committee—that can get at this. One of the things that should come out of this debate is that the Public Accounts Committee should look at the documents—not the numbers—associated with those early contracts and see why they were done. That would be one way to get past the assertion made by my right hon. Friend the Member for New Forest West (Sir Desmond Swayne) that we cannot deliver a practical outcome. That is one practical outcome that we can deliver.

The second practical outcome we can deliver among ourselves is to address the fact that this is retrospective taxation. As my right hon. Friend the Member for North East Somerset rightly pointed out, our country does not believe that people who undertake behaviour that is not illegal at one point in time should be prosecuted if it becomes illegal in future. That applies in spades to taxes.

One of the things I wanted to do early on in our collective campaign was to move a motion in the House at the beginning of the Budget, under the general motion that is normally put, explicitly to ban retrospective

[*Sir David Davis*]

taxation. Let us guess what happened: since then, the Treasury has not moved a general motion. We always get narrow finance motions, which makes it difficult to change anything. I wrote to the Procedure Committee, which I gather is still concerned about this, to ask it to request the return of the general motion at the beginning of the Budget. Then, we could actually put it to the House. Back in those days, we probably did not have the 100-plus supporters that we now have. Today, we could probably carry that motion. I ask everyone taking part in this debate to support that—I might write around and ask everyone—and to write to the Procedure Committee to try to get that corrected. We can use our right of initiative, which we do not have much of anymore, to stop this explicitly.

Kirsty Blackman (Aberdeen North) (SNP): I agree entirely on the amendment of the law resolution. In fact, whenever I have spoken on a Finance Bill since it stopped being common practice to use it, I have said that we should have an amendment of the law resolution. I appreciate what the right hon. Gentleman says about the Procedure Committee. As a member of the Committee, I can tell him that we have looked at this but, ultimately, it is the responsibility of the Government to make the change—they need to table the amendment of the law resolution. The previous Chancellor was clear that it was a small, technical change that he would not make.

Sir David Davis: Forgive me, but I have been here a long time. The Procedure Committee can do it—it can put it to the House and seek a Back-Bench motion. Guess what? We can move Back-Bench motions that instruct the Government. Some may remember that we did it on prisoner votes, and we won that day. It is about time that we exerted our own rights in this House on this matter.

The last point I want to make is that this whole thing was, if not precipitated, then certainly made worse by the 1999 move by the Government with what is now known as IR35. The complex rules associated with the IR35 triggered part of this behaviour pattern. What is interesting is that the behaviour of HMRC on IR35 pretty much mirrors its behaviour on the loan charge.

A large number of people out there, one of whom is in the Gallery today, have been oppressed by HMRC, frankly. They have an argument over money, let us say £70,000. They win in the first tribunal, so HMRC appeals. They win in the upper tribunal, so HMRC appeals again and takes them to court. The court, of course, then sends them back to the beginning and they do it again.

The House will remember a previous Backbench Business debate when we started the action against SLAPPs—strategic lawsuits against public participation—in which oligarchs use their huge financial power to destroy people. What is HMRC doing? Precisely the same thing. The Government are now moving to stop oligarchs doing what they do themselves, so we need to look at that too. IR35 is a disgrace. When a state organisation with infinite resources—actually, your tax money and mine—uses that power to overrule and reduce the ability of ordinary citizens to protect themselves, I am afraid it is behaving in a way similar to how countries behind the iron curtain used to behave.

Greg Smith: My right hon. Friend's powers of forensic analysis are second to none, but does he agree that it is actually slightly worse than that? He is entirely right in what he says, but there are also cases, particularly for those affected by the loan charge, where people have allowed themselves, against their better instincts and judgment, to make a false confession of guilt. They have gone through the process and ended up having to pay an extortionate amount of money and think the matter settled; then, HMRC has come back and gone after even more.

Sir David Davis: Yes, my hon. Friend is right. I am afraid that one of the characteristics of miscarriages of justice—I have forgotten who raised this point earlier, so please forgive me for not referencing them—is that the victim at the beginning is probably the most unpopular person in society. They are thought to be guilty and may even doubt themselves over whether they have made a mistake. These people, by and large, have been compelled to do what we are talking about. They have been offered a job on these terms only, so they have had no choice, but then they think, “Well, maybe I should have known.” Then, like the sub-postmasters, they are persuaded by the people dealing with them that they are the only one.

Until our campaign started, all these people felt that they were the only one, or one of a few nasty tax evaders—not tax avoiders—so they gave in. Of course, it is like the Gestapo: confession never saves you; it is a step to execution. That is how it works, I am afraid. That is true of all big organisations full of people who are well-intentioned, but who defend the institution. That is why, answering my right hon. Friend the Member for North East Somerset, it goes on through Government after Government after Government. It is not the Ministers who do this, but the members of the institution.

Sir Iain Duncan Smith: I get all of that and my right hon. Friend is right, but there is a peculiarity about HMRC, with its powers and lack of accountability. It does not publish accounts, and Ministers come and go; they do not really run that Department. That really is the issue. Bad as it might be elsewhere, it is astonishingly bad now because of HMRC's behaviour.

Sir David Davis: My right hon. Friend the Member for North East Somerset listed a few of the other cases, from Hillsborough onwards, so it does come back to that. Even the Department for Work and Pensions, the Department my right hon. Friend the Member for Chingford and Woodford Green (Sir Iain Duncan Smith) used to run, has its own police force, in effect, and its own prosecutors. That is one of the clues. This will come back time and again with HMRC and others. He is right that we need to hold this organisation to account. It serves the people, not the Government of the day. This Parliament is the institution that serves the people and, starting with the Public Accounts Committee, we should be holding HMRC to account, but there are many others who should get involved.

I have given a completely different speech from the one I intended to give, because everybody else said everything before I rose, but I will finish with a point I certainly wanted to make. The BBC once referred to me as an old war horse, so I will give the Minister some old war horse advice, having been there once or twice

myself. One of the lessons of the last few weeks is that Ministers—junior Ministers in particular—are very easily led to give dead bat answers in the Chamber. They are the answers handed to them by their officials, and they have no other answers to give, unless they want to end their career on the spot—I have done that twice, but never mind. This is not about his answers today, but the simple truth is that unless he wants to be seen in the same light as Ministers in the past—maybe he wants to be a future leader of the Liberal Democrats—he needs to go back to his Department and say, “I want to see the truth. Here are the things you’ve done. Why did you not tell the House of Lords why you are not pursuing the promoters of these schemes? Why did you tell people you only go for half their disposable income when you’re not doing that?” Get the answers, Minister. Then, when you next come back to the Chamber—and you will have to come back to the Chamber again—you can give us the truth.

2.36 pm

John McDonnell (Hayes and Harlington) (Lab): Like everyone else in the Chamber today, I have constituents who have been affected in a way that is incredibly distressing, so I understand completely the howls of outrage sounding across the House today. I want to deal with process, though.

Some hon. Members here took part in the debate in 2018. I would like people to read the speech made in that debate by my hon. Friend the Member for West Ham (Ms Brown). I was the shadow Chancellor then, and she was in my shadow Treasury team. Speaking from the Opposition Front Bench, she set out exactly case after case, as hon. Members have done today, but there was one additional case we drew on which has not been mentioned today—a case in which, because of cuts to local councils and elsewhere, staff had been laid off and then rehired on this basis by public bodies, which was particularly shocking.

Let me read the ministerial response that was given then, because I think we should learn from it. The then Economic Secretary said:

“Although...I have tremendous sympathy for those facing large tax bills, it is unfair to let people get away with not paying the tax they owe. There is support for people who have used the schemes and now find themselves in difficult situations, which require those affected to approach HMRC and bring the matter to a close.”—[*Official Report*, 20 November 2018; Vol. 649, c. 295WH.]

That was the ministerial response. I do not think we can tolerate a similar ministerial response today, because that led to immense human suffering, including, as some have said, some people losing their lives. Many of them did approach HMRC and they did try to negotiate deals, but there was no element of clemency and no understanding of the individual plight of those people. As a result, many of our constituents suffered badly.

I just want to move on and try to get some resolution. I hope that we and the Government can agree today on review. That review should be immediate and time-limited in months, not years. It should be truly independent, with its independence assured by the victims. It should propose a specific range of resolutions, which will have to include some element of compensation for what people have suffered. The review should look at where the compensation should come from. I think it should come not from other taxpayers, but from a levy on

those who promoted the schemes, and perhaps some elements of the finance and accountancy sector that were involved up to their necks, to be frank. That is my first point.

I also think that we need to review our own role in this, and in what has happened over time. I agree with the right hon. Member for Haltemprice and Howden (Sir David Davis) that not only should the Procedure Committee examine the House’s role, but the Public Accounts Committee should look into how we have arrived at current situation.

Let me give two examples of the background to all this. HMRC has come in for considerable criticism today, and I agree with much of it. What I say now is not in mitigation of HMRC’s role, but an attempt to gain some element of understanding of what has been going on there. HMRC is, rightly, under pressure from all of us, on both sides of the House, to tackle tax avoidance and evasion. Some of us have led campaigns over the last 20 years or so to try to get HMRC to work on that effectively, and I pay tribute to the Government for putting it under pressure to tackle the tax gap. They were the first Government to identify a tax gap of £38 billion, or whatever the amount is; I disagree with the figure, but at least we have a target to aim for. However, at the same time, over those 20 years, both parties have excelled in a Dutch auction to establish the extent to which HMRC’s staff levels can be cut.

I can understand a wish to reduce staffing, but there are better ways of doing it, and for a while the way in which it was done at HMRC was fairly brutal. That resulted in redundancy schemes whereby a whole wave, a generation, of expertise was lost, and it had an effect on the culture of HMRC. According to my understanding, HMRC looked for short cuts and a way of meeting the demand for it to tackle tax avoidance and evasion and the tax gap, and I think that this was one of the short cuts that it invented. In latter days, there would probably have been wiser heads in HMRC itself to suggest that this was not the route to go down because it would bring about more problems than solutions. However, a culture of secrecy and protectionism has developed in HMRC, and we need to understand that if we are to tackle this properly as an institutional failing.

Secondly, we need to look at the role that the House played. I have been going back to the year 2017, and trying to remember what was happening in the House at that time. Some Members will recall that there was not a normal process for the Finance Bill, because the right hon. Member for Maidenhead (Mrs May), who was then the Prime Minister, having assured us all that there would not be a general election—I think she assured us of that five times in the House—went for a walk in Wales, came back, and declared an election. So the finance measures were thrown into the wash-up procedure, which, as Members will know, means political parties sitting down to decide what measures are urgent and must be passed. It was agreed that the Finance Bill would go through in a single day, and as a result of that, this measure was introduced. I should like the Public Accounts Committee and others to look at how that process worked and how it did not work.

The right hon. Member for Haltemprice and Howden made an extremely valid point, which we made about every Finance Bill, or Budget Bill, that came forward. When the Government introduced the “no amendment

[John McDonnell]

to law” procedure, that tied the hands of the House when it came to what it could open up, what debates it could have and what amendments it could table. That was introduced by—

Sir David Davis: Hammond.

John McDonnell: Yes, by Lord Hammond. I think it was almost unprecedented. As I say, it tied the hands of the House, even when it came to further investigating issues relating to the Budget and Finance Bills.

I also think that we need to look at the process whereby Ministers and Opposition are able to question impact assessments and how they are developed, as well as the independence of those assessments. I still find it problematic that impact assessments are prepared largely by the Department and the ministerial team that are promoting the legislation involved, rather than its being done independently. Had there been an independent impact assessment in this case, and time for a proper debate and for amendment as well, the House would probably not have agreed to take this course. When I look back, I think that the implications should have been drawn to the attention of the whole House. The impression given was that this would be focused on a small number of “hard case” tax avoiders or evaders, and their scheme promoters.

Sir David Davis: I agree with nearly everything that the right hon. Gentleman is saying, but why can we not address it now? Why can we not go back and put it right?

John McDonnell: The point I am making is about enabling us to do that. I hope that some of the lessons being learned are learned not just by the whole House but by the Government as well, whichever party is in power. As soon as we introduce measures to fetter the role of individual Members of the House or the House as a whole, we open up the opportunity for mistakes to be made, because policies are not tested effectively in democratic debate in this Chamber.

I welcome the fact that reviews are to happen, but believe they should happen as a matter of urgency, if for no other reason than because I do not want to be here again in a few years’ time—we are now in 2024, and I do not want to be here again in 2026, 2027 or 2028—and find that we are in the same situation as we were in 2019. I do not want to find that more people have suffered and, worryingly, that more people may not be with us as a result of this because they have taken their own lives.

There is an element of urgency about rectifying this issue, and doing it with compassion and, in many instances, with clemency. That will enable us to focus properly on tackling tax avoidance and evasion, and also the institutional arrangements that exist to enable that to happen. We need to have a thorough debate in the House about our regulatory mechanisms, especially with regard to the accountancy and finance sector.

2.46 pm

Duncan Baker (North Norfolk) (Con): It has been referred to many times this afternoon, but the number of times in the last few weeks that I have spoken here

about the Post Office scandal is well known, and it has rightly dominated our headlines. However, the question that we have probably not addressed enough is “Why?” There are clearly parallels between why we have addressed the Post Office scandal and the reason for the encouraging speeches we have heard this afternoon. If there is one thing that the British people hate more than anything else it is injustice, and it is the injustice of the loan charge scandal that makes it so important. The stark reality is that the people who were affected by it have had their lives ruined at just the same levels, in terms of financial as well as personal and family impacts, as those affected by the Post Office scandal.

I have been a member of the loan charge APPG since I was elected and have spoken about it in the House. When the APPG ran sessions, back when I was first elected, I heard harrowing accounts of people who are innocently caught up in this situation, including some of my constituents. My constituent Peter Phillips fell into a loan scheme on the advice of tax professionals, as a means to be clear of and compliant with IR35—you could not make it up. There was never any intent to avoid tax: it was simply a means to keep up the income and standard of living that his work as a contractor afforded him.

I have got to know Peter over the four years since my election. There was a time when I probably did not wake up in the morning without an email from Peter—he is watching this debate, too. He is a good, decent, kind and law-abiding man, like so many of the constituents we have spoken about this afternoon. If he had been aware of HMRC’s view on these schemes, he would never have chosen that route, but it was never made plain to him, either by the tax professionals or by HMRC. In addition, he knew many other contractors who had been working through loan schemes for many years without any issues with HMRC.

Peter has settled his scheme with HMRC and, quite rightly, he is utterly aggrieved by the unfairness that, because he told HMRC of what he had done, he became an easy target, whereas the others, who did not tell HMRC, are getting away with it, so to speak. That is grossly unfair and unjust.

In the loan charge scenario, HMRC is treating the loans as both income and loans to the individual’s estate, and is therefore forcing Peter to pay income tax and inheritance tax on the amounts. We have been talking about this issue for a while, and many of the victims are older. As they get older, they are thinking about planning for their family, so these issues become even more of a worry and even more pertinent.

I do not think he should, but Peter is prepared to accept that he made an error of judgment. Of course, he did not make an error of judgment. In my view, this is retrospective penalisation by HMRC. At the very least, HMRC is equally at fault in the well-known retrospective penalties that it imposes. It seems wrong that Peter is paying a penalty for his honesty in disclosing the scheme. If Peter understands that he has to accept some responsibility, why is HMRC not doing the same and, at the very least, offering better settlement terms to all those affected?

Again, the parallel with the Post Office scandal is that many loan charge victims are not believed. These were complex tax arrangements in many cases, and they were simply mis-sold to people. The individuals who took

out these arrangements are not tax professionals. They just went along with what they were told and, as we have heard, they have been financially crippled, way beyond any sensible, proportionate rationale. They need help.

I agree with other Members who said we have an opportunity to put this right. At the very least, these individuals could be better supported in three ways. For a start, the loans should be exempt from IHT. Where victims are subject to accelerated payment notices, which occur when HMRC thinks it has detected a tax avoidance scheme—the disputed tax is paid to HMRC—why is proper discretion not applied to the circumstances? Minister, go back and look at the cases and help the victims.

Finally, we should scrap or, at the very least, extend the residual tax waiver, which has been thoroughly unjust time and again. Remember, if a person did not settle before 30 September, HMRC applied the penal loan charge and calculated the settlement, giving a higher figure. That, again, has disadvantaged many, many people.

We took decisive action last week, and many applauded us for that. Were the extent of the loan charge exposed, I think there would be a willingness in society to act. Something should be done, and it can be done. Remember that so many people are innocently caught up in this scandal. It has huge parallels with the Post Office scandal, and it should be put right.

2.54 pm

Jim Shannon (Strangford) (DUP): It is a pleasure to speak in this debate. I thank my right hon. Friend the Member for East Antrim (Sammy Wilson) and the hon. Member for Buckingham (Greg Smith) for setting the scene, securing the debate and bringing this matter to the Chamber.

I believe that the job of this House is to act on behalf of our constituents. Although HMRC is independent, it is a tool of the Government, so there has to be some accountability. With great respect, I believe that the ball will lie at the feet of the Minister, whom I am very fond of, at the end of this debate. He will tell us what is going to happen.

The loan charge is a controversial tax policy that has affected thousands of employees, freelancers and contractors who were persuaded or, in many cases, coerced into using loan schemes to reduce their tax bills. The policy, introduced as a tax-related measure in 2019, gives HMRC the ability to collect taxes going back to April 1999. Some people have faced bankruptcy or depression, or even committed suicide, because of this. I ask the Minister how it is possible for HMRC to investigate individuals for unpaid taxes going as far back as 20 years, given that its limit for holding information on taxpayers is only seven years. I cannot quite get my head around that. How does a person challenge a 20-year-old tax demand? Does HMRC breach the GDPR by holding such information for this length of time?

The loan charge policy is unjust and unworkable. It is a retrospective tax that violates the principle of legal certainty and the rule of law. It is a punitive measure that targets innocent taxpayers who acted in good faith and followed professional advice. It has resulted in disastrous consequences, causing immense hardship, distress and tragedy for thousands of people across the country. It is a retrospective tax of an insidious nature, because it changes the rules after the game has been played. Imagine winning a football match 3-0 and then

someone comes and says, “By the way, you didn’t win 3-0. You lost 3-0, and here’s how it happened.” That is what has happened with the loan charge. It ignores the fact that many people used schemes because they had no choice, as they were forced to do so by their employers or clients. It disregards the fact that many people who used schemes did not benefit from them, as they paid fees, interest and taxes on their loans.

We all seek professional advice daily in our jobs. If we follow it because we believe that it is legal and correct, we expect to be protected. In this case, people have not been protected. The loan charge is a retaliatory measure, and imposes disproportionate and unreasonable demands on taxpayers who have already paid their fair share. It calculates the tax liability based on the total amount of loans, regardless of the actual income or profit derived from them. It adds interest and penalties on top of the tax, inflating bills to astronomical levels. It denies the right to appeal, challenge or settle tax disputes at a fair and independent tribunal. It forces people to pay the tax in one lump sum, with no regard to their current financial situation or ability to pay.

HMRC employs a process that has caused immense hardship and distress for thousands of people across the country. It has pushed people into debt, poverty and homelessness. It has ruined careers, businesses and reputations. It has damaged mental health, wellbeing and relationships. It has driven people to despair and suicide. According to the Loan Charge Action Group, at least 10 people have taken their own lives because of the loan charge—a sobering figure. It has also identified 13 suicide attempts and 11 cases of serious self-harm. We need to remember that these are not just numbers, but human lives. These are constituents, colleagues, friends and family members. How many more lives will be lost before the Government listen and act? There is an immense responsibility on the Minister and I hope, on behalf of our constituents, that he can give us reassurances on this issue.

Perhaps the most striking feature of all this is the brutality of HMRC’s ruthless approach, which extends to cruelty. It is no stretch to say that people are effectively pursued to the grave and beyond, because bereaved families are ruthlessly pursued by HMRC for its demands. HMRC continues to be unyielding and relentless. It defends its actions by claiming that it has a duty to collect tax that is owed, and that it offers support and flexibility to those who are struggling. I believe that, above else, HMRC has a duty to be competent and to uphold its charter, which states that it will always act to “get things right”. HMRC is in breach of its own charter, and the Minister needs to come clean and give us some reassurance on that.

The loan charge policy has failed on every level—fiscal and human. It has failed to collect the tax that it claims is due. It has failed to uphold the principles of justice and fairness that underpin our tax system. It has failed to protect the rights and interests of taxpayers who have done nothing wrong. It has failed to prevent the harm and suffering that it has inflicted on thousands of people. It has failed to acknowledge the errors that have been made in implementing and enforcing the policy. It has failed to respond effectively to the recommendations and criticisms that have been made by various bodies, including the House of Lords Economic Affairs Committee, the loan charge and taxpayer fairness APPG, and the independent review led by Sir Amyas Morse.

[Jim Shannon]

To conclude in adherence to the timescale that I was given, the loan charge is a policy that must be abolished. It is not too late for the Minister and the Government to do the right thing. It is not too late to end this injustice. It is not too late to save lives. I urge the Minister and the Government to listen to the voices of reason, compassion and conscience, and to abolish the loan charge once and for all. The quicker it is done, the better.

3 pm

Wera Hobhouse (Bath) (LD): What I am going to say will echo what has already been said this afternoon, but I want to add my voice to those of all Members, and particularly to those of my constituents, because Bath constituents have been affected, and I want to help them as much as I can.

The loan charge has destroyed lives. Of course businesses and individuals should pay their fair share in tax; however, much damage has been done to people who acted in good faith. They have been punished in an entirely inappropriate way, while those who were behind the schemes have got away scot-free. We must defend individual taxpayers, even if we think that they might have been ill advised in the first place. As we have heard, many were forced into the schemes and did not have a choice.

The Morse review concluded that the loan charge was not an appropriate or fair response to the use of payroll loan arrangements. It focuses on loans made many years ago. They were not taxable under the law as it was understood at the time, and HMRC did not act against them. As enacted, the loan charge means that income tax must be paid as if the outstanding amount were part of the income taxed in the current tax year. That does not account for changed financial circumstances, which is particularly relevant for freelancers. Those taxpayers pay much more than they would have if they had paid tax on the loan at the time.

The loan charge's stated aim is to end tax avoidance schemes, which is understandable. We all want to ensure that people pay their share; however, the central injustice is that HMRC has pursued only the users of the schemes, who acted in good faith, instead of those who recommended, promoted and operated them. As a result, the loan charge is not even a deterrent. There has never been a conviction of those promoting loan schemes that are now subject to the charge. The people who were compliant and disclosed information on their tax returns have been hit the hardest. Nearly all respondents to a survey by the loan charge and taxpayer fairness APPG reported that the risks of payroll loan arrangements were not explained to them. Now some face tax bills as high as £400,000.

Families have broken down, and there have been suicides. People were made to feel like criminals, despite having entered into the arrangements following professional advice. Many have said that as contractors they had little or no choice but to enter the schemes. Many small and medium-sized company owners and directors were also impacted after following professional tax advice. Their staff now face redundancy. As well as the awful mental health impacts, which the hon. Member for Strangford (Jim Shannon) mentioned, tax bills of hundreds of thousands of pounds leave some with no option but to go bankrupt. In many cases, being declared bankrupt will prevent people from working again or paying tax.

None of that would have happened had HMRC identified the issue earlier, publicised the risks of payroll loan schemes and penalised those behind them. The nightmare now unfolding has echoes of the Post Office scandal, where individuals with no intent of wrongdoing were left with impossible choices. Livelihoods and lives are being destroyed while those running the schemes, who knew what they were up to, are getting away with it. In addition, Government bodies are magnifying the injustice, pursuing people with intimidation and making them fearful. We should put that right, rather than making this wrong even more wrong.

We urgently need a genuinely independent review of the whole loan charge, and a fair and final resolution for all. It is clear there is huge cross-party interest. It is in everyone's interest to finally resolve this, not just for those facing overwhelming tax bills but for HMRC and the Government. The loan charge has not even achieved its intention. Instead, it represents a policy failure that has left thousands suffering. It is for all of us to act, and act quickly.

Madam Deputy Speaker (Dame Rosie Winterton): I call the spokesperson for the Scottish National party.

3.4 pm

Kirsty Blackman (Aberdeen North) (SNP): I congratulate the right hon. Member for East Antrim (Sammy Wilson) on securing this important debate and I thank the Backbench Business Committee for making time for it.

To paraphrase the hon. Member for Strangford (Jim Shannon), this is an absolute mess. It is not an ethereal mess or something that is not happening to real people; it is happening to real people and affecting their lives today. We have a situation where the promoters and operators have faced no recourse. Tens of thousands of people have had their lives changed and torn apart, but HMRC has not been held to account for its behaviour. We must get to a point where there is a resolution. An end must be found, so that people do not have the sword of Damocles hanging over them.

First, on the promoters and operators, as has been said, there have not been any arrests or prosecutions, never mind convictions, of anybody who has been promoting or selling the schemes. Looking at debates from that time, the then Minister made it very clear that they were cracking down on schemes, not the individuals who use those schemes, and gave commitments that they were chasing promoters and operators. Whether Ministers were lied to by officials or knowingly came and told us something that was incorrect, I do not know, but we should never have been given those assurances, which were patently false.

There has been a consistent and concerted campaign of disinformation. MPs talking on behalf of their constituents, as well as MPs talking about the general issue, have been faced with disinformation. Whenever we have tried to find out information, we have been told stuff that is untrue, so I agree with the right hon. Member for East Antrim that we need to redouble our efforts. In fact, it is not even that we need to redouble our efforts, because doubling nothing still makes nothing; we need to make efforts to actually go after the promoters.

It is not only those promoters who promoted schemes back in the day, but the new ones that are springing up, along with other individuals and organisations that are

taking advantage of people who are caught up in the loan charge scandal. People are being told, “Oh, you’re involved in the loan charge stuff—I can help you with that.” The person offering the help is then taking their money and running for the hills. That is still happening today, but those folk and those organisations are not facing any sanctions for their behaviour. The Government need to ensure they are taking action.

In many cases, the lives of individuals have been irrevocably damaged. Communication has been terrible and there have been contradictions throughout. Every Member who has talked about individual cases has said that people have been given conflicting information by HMRC. People were told, “If you pay this much, it will be fine,” but then they were told, “Actually, we’ve discovered we want another 50 grand from you,” or, “We need this,” or, “We are going to serve an APN,” or, “We’ve reopened tax year 2003.” As constituency MPs, we have all heard reports that people have been told conflicting information. Either every one of our constituents who has come to us about these issues is lying to us, or this is actually happening. I tend to assume that this is actually happening and that people have been mistreated by HMRC. That is a major concern.

It is impossible even for MPs to find out how much HMRC thinks people owe. There are times when I have had a settlement figure and an amount on behalf of a constituent, and then HMRC has chased that person again for other money later. As I said, it is a sword of Damocles hanging over people. They cannot ever get to the stage of resolution, because even if they settle, HMRC can come back and say, “Sorry, we miscalculated. We are going to chase you for another year.”

There is no point at which people can get out of this trap. I have spoken to so many constituents who—whether it was because of the loan charge or other things—reached the stage where they were terrified of opening envelopes that came through the door. Those of us who are dealing with constituents who are caught up in this know that they are terrified of opening any official-looking envelope, because it might be another demand for tens of thousands of pounds. It might be another demand for money that they do not have.

Michael Fabricant (Lichfield) (Con): I am following the hon. Lady’s arguments and agree very much with her. Does she not agree that this is almost contrary to jurisprudence? There is no double jeopardy, so a person cannot be tried more than once for the same offence, yet HMRC, on those occasions, seemed to be doing just that.

Kirsty Blackman: I am concerned that we will not get to the end of this and that our constituents will never feel comfortable opening letters again. They will never get out of it.

The Minister needs to look not just at this issue as a whole, but at each individual case. It is very clear that there has been a disparity in the way that people have been treated. We were given the utmost reassurance that nobody would lose their home and nobody would be made bankrupt as a result of this. That was made utterly clear to us. I remember being in Westminster Hall when the Minister stood up and made those promises. Those promises have dematerialised completely. I have a constituent on universal credit whose only asset is his home, and he has been asked for tens of thousands of

pounds—not tens of thousands of pounds over a 12 or 20-year period, but tens of thousands of pounds today. The only way that he can get that money is to sell his house. That is directly opposite to what the Minister told us at the time. We need to ensure that these changes are made.

Finally, a resolution to this is the most important point for me. This needs to end, so we need to get a resolution for individuals or for the whole group. People need to be absolutely confident that they will never again get through the door a terrifying demand from HMRC about something that they thought had been sorted out. If we get a proper resolution for each of those individuals—our constituents—we will have done our jobs as constituency MPs.

3.11 pm

Darren Jones (Bristol North West) (Lab): May I start by congratulating the right hon. Members for East Antrim (Sammy Wilson), for Hemel Hempstead (Sir Mike Penning) and the hon. Member for Motherwell and Wishaw (Marion Fellows)—with whom I have worked for many years on the Post Office Horizon scandal—and the hon. Member for Buckingham (Greg Smith), on securing this important debate today? I thank the Backbench Business Committee for granting the time and pay tribute to the members of the loan charge and taxpayer fairness all-party parliamentary group, other right hon. and hon. Members here in the Chamber today, and the journalists who have investigated this issue so doggedly, including *The Yorkshire Post*.

One of my core political beliefs is that, when one person has power over another, they must be subject to effective checks and balances. That is a crucial part of our democratic system and at the heart of the freedoms that we should all enjoy in a democracy such as ours. In my roles as a lawyer, a trade unionist, a Member of Parliament, the Chair of a parliamentary Select Committee—the Business and Trade Committee—and now a member of the Shadow Cabinet, I have always contributed to ensuring that the delicate balance of power is tilted towards the citizen and away from the powerful, and that unchecked power is challenged and brought into line. On this issue today, I recommit myself to that cause.

That is why we in the Labour party believe a key principle of our tax system is that the Government should treat everybody fairly. It is why we support attempts to tackle tax avoidance schemes, including disguised remuneration schemes. However, HMRC’s approach to the loan charge, which has affected tens of thousands of people to date, means that the Government have failed in ensuring that duty of fairness.

As we have heard, ordinary people who are victims of mis-selling are facing financial ruin and personal harm because of the way in which HMRC has pursued the loan charge. Tragically, at least 10 people affected by HMRC’s behaviour are known to have taken their own lives. The House should pause and reflect on that fact. We are talking about 10 people who were in such a state of despair—10 people who had not only the thought of ending their own lives, but the will to do so. There are 10 families now grieving for the loss of a loved one, all because of an administrative approach to tax collection. It could therefore not be clearer that the Government’s approach is not working. Ministers, including the Prime Minister when he was Chancellor, routinely referred to

[Darren Jones]

the 2019 Morse review and asserted that there was nothing else to do. That review cannot and must not be the final word on the matter or a roadblock to getting a fairer solution for people who have been victims of bad professional advice and mis-selling.

While people in everyday jobs, from NHS workers to social workers, are being pursued by HMRC, and some taxpayers are being told that they owe hundreds of thousands of pounds, the Government, as we have heard repeatedly, are doing little to pursue the actual promoters behind mis-selling schemes. Incredibly, HMRC has been issuing fewer than two fines a year against the architects and enablers of failed tax avoidance schemes. How can the Government possibly justify such a light-touch approach for the promoters of such schemes while many of those people caught up in them suffer such serious harm?

Over the course of this Parliament, the Labour party has repeatedly called on the Government to find a fair and effective way forward on the impact of the loan charge. There is no disagreement that such schemes are illegitimate and damaging. However, there have now been significant cases and testimonies to raise alarm bells in the heads of Ministers about the nature of the current approach.

In June 2020, during consideration of the then Finance Bill, hon. Members debated a new clause that would have forced the Government to review the impact of the loan charge scheme, including the fairness with which HMRC implemented the policy. Unfortunately, the Government dismissed the proposal, claiming that the Morse review went far enough. Again, in December 2021, my hon. Friend the Member for Ealing North (James Murray) tabled a new clause to then Finance (No. 2) Bill. It would have required the Chancellor to commission an independent review to consider HMRC's approach to the loan charge scheme and make recommendations on how it should be altered. That review would have required the Government to explain to this House what efforts they had taken to guarantee the review's independence. Also, once the review had made recommendations, it would have required the Government to say, on a six-monthly basis, whether they agreed with them, and if so, how effective they were on implementing them.

Such a review could finally have offered a way forward. Labour voted in favour of that new clause and the review it proposed in December 2021, but sadly it was defeated by the Government. Treasury Ministers must realise that this issue is not going away. Two years on from that vote, it is still clear that the Government's approach to the loan charge means that ordinary people who are victims of mis-selling are suffering financial ruin and personal harm.

Ministers and hon. Members across the House have heard the harrowing accounts of people whose lives have been ruined. That cannot be what the Government envisaged in the first place, and it must not be allowed to continue. Will the Treasury use this moment today to finally agree to commission a further truly independent review? Such a review could consider the approach of HMRC towards the ordinary people caught up in the loan charge schemes and further consider what action should be taken against the architects and promoters of those schemes. That would be in the interests of restoring fairness in our tax system. It could provide a way forward

for the many thousands of people caught up in the loan charge and should end the devastating consequences suffered by the people involved to date. That is all we are asking for: an independent review—albeit one, as hon. Members have said, that should be conducted quickly.

Finally, I urge the Minister to answer the specific question put to him today of whether HMRC officials are being awarded bonus payments for the recovery of loan charge moneys. I urge the Government to learn the lessons of other scandals and to stop burying their heads in the sand. I urge the Minister to be brave and to do the right thing.

3.18 pm

The Financial Secretary to the Treasury (Nigel Huddleston):

I would also like to thank the right hon. Member for East Antrim (Sammy Wilson), my hon. Friend the Member for Buckingham (Greg Smith) and others for securing the debate, and I am grateful for all the contributions from hon. Members across the House. I would like to name them all, because it is important that we get on the record all those who have contributed. They include my right hon. Friends the Members for Chingford and Woodford Green (Sir Iain Duncan Smith), for New Forest West (Sir Desmond Swayne), for North East Somerset (Sir Jacob Rees-Mogg) and for Haltemprice and Howden (Sir David Davis); my hon. Friend the Member for North Norfolk (Duncan Baker); the right hon. Member for Hayes and Harlington (John McDonnell); and the hon. Members for Merthyr Tydfil and Rhymney (Gerald Jones), for Chesham and Amersham (Sarah Green), for Kirkcaldy and Cowdenbeath (Neale Hanvey), for Arfon (Hywel Williams), for Strangford (Jim Shannon) and for Bath (Wera Hobhouse); and, indeed, others who have contributed to the debate.

There is no doubt that we have heard today the strength of feeling on the issue. Of course, I stand at the Despatch Box as not only the Minister—Financial Secretary to the Treasury—but a constituency MP who has also had representations on these issues from my constituents.

The loan charge, alongside the wider issue of the use of disguised remuneration schemes, is a complex subject that is deeply impactful for many of our constituents. I can assure hon. Members that the Government take the issue incredibly seriously and recognise the impact the loan charge has had. I will endeavour to address the points that have been raised in the debate, but I also wish to reassure colleagues that many of the questions they have asked, about disguised remuneration, Government policy, the loan charge and the approach and tone taken by HMRC, are precisely the questions that I have been asking officials, for the very reasons they have outlined.

I hope that during the course of my response I can provide some additional reassurance because, particularly in the light of recent circumstances, I want to make sure that I am making the right decisions and asking the right questions. Tax authorities and tax Ministers are never popular—it is the nature of the work—but I want to make sure that we act in a way that is reassuring, correct and fair to all taxpayers. I take that duty and responsibility very seriously. For example, I have had discussions and conversations with Jim Harra, the chief executive of HMRC, in the light of the Post Office scandal, about whether there are commissions or perverse incentives for people that may lead to distorting behaviour,

and I have been reassured that there are not. This debate and these conversations are very useful, because they enable me to ask the right questions of my officials.

I will not be able to give everybody the answers they want, and I am going to disappoint some people with this response, because I believe we have taken the right approach. There are certain areas where I will continue to ask questions. I am aware that I will not be able to satisfy everybody today, but that will never stop me from continuing to ask the right questions.

Briefly, by way of context, because not everybody who is listening to this may be aware, the purpose of the loan charge was to ensure that users of disguised remuneration schemes paid their fair share of income tax and national insurance contributions. Disguised remuneration schemes are contrived tax avoidance arrangements that seek to avoid income tax and national insurance on income by disguising it as some other type of payment, typically in the form of a loan that is wrongly alleged to be non-taxable. Hon. Members should be in no doubt that, as has been recognised across the House, those schemes cost the Exchequer and other taxpayers hundreds of millions of pounds a year. Indeed, the total burden is to the tune of billions of pounds.

It is therefore right that, when we identify these completely inappropriate schemes, we take action. From the earliest days of the schemes, HMRC opened thousands of inquiries into their use and challenged their operation through the courts. In 2017, the Supreme Court agreed that the schemes did not work and have never worked to legitimately avoid tax, so tax is due on these payments. However, as I have heard very clearly in this debate, many questions have been raised about how we recover that tax due and who has paid it.

In 2022, the Court of Appeal ruled that, even where other parties may have obligations to withhold tax under PAYE, the liability for income tax is always that of the individual, fully endorsing a long-standing position of HMRC and of Governments of all colours. That is a key point: the individual is ultimately primarily responsible for the tax they owe and for their own tax affairs.

Wera Hobhouse: Does the Minister not recognise that quite a lot of people who used the schemes, who were made contractors against their will, are often just individuals who are not tax experts, who paid the tax they were asked to pay at the time and did not think anything was wrong until years later, when suddenly HMRC came to pursue them? Does he not recognise that he is doing the wrong thing to those people who really did not know better?

Nigel Huddleston: I thank the hon. Lady for her comment and I understand completely where she is coming from, but there are multiple points to discuss there. The schemes were never legitimate; they were always tax avoidance, and therefore there was always a clear path that tax was owed. With respect to who then pays, I will mention that in a moment, but, if we move away from the underlying principle that individuals still have personal responsibility to check their tax affairs, it is very difficult to move back to it. I will also come on to the point she raises about further Government action in a moment, because there are some people are being deceived and forced into errors that are completely inappropriate.

The early stages of such loan schemes involved the very wealthy and people who, I think we can all agree, knew exactly what they were doing, but as the schemes evolved and got more sophisticated, and more people were drawn into them, there was a long tail of people who were acting in good faith, and there are many of the cases that we have heard today. Although we keep the principle that ultimate responsibility lies with those individuals, it is important that we do the right thing in ensuring that tax affairs are straightened.

Several hon. Members *rose*—

Nigel Huddleston: I will give way to the hon. Member for Strangford.

Jim Shannon: Further to the point made by the hon. Member for Bath (Wera Hobhouse), I think of those who were unknowingly brought into the scheme by their employers and then found themselves with a financial burden that they were not aware of. I am reminded of the TV programme about the Post Office Horizon scandal, in which the terminology “the little people” was used. With the greatest of respect, these people are “the little people”—people who accept the systems that are put down before them. There must be a way to help them.

Nigel Huddleston: I completely understand where the hon. Gentleman is coming from in relation to going after employers that have been deceptive. The loan charge ensures that tax is paid in respect of individuals who entered into the schemes and received payments with no tax deducted, but where possible, HMRC has been seeking that tax from the employer in the first instance. I would like to reassure hon. Members that 80% of the revenue collected to date has come from employers, so we are targeting the employers, as he rightly points out.

Several hon. Members *rose*—

Nigel Huddleston: I will take a couple more interventions, but I fear that colleagues will ask about the very things I am about to come to, so I may then resist further interventions.

Sir Jacob Rees-Mogg: My hon. Friend refers to the 2017 Supreme Court judgment. As I understand it, that judgment decided that responsibility for the use of an employee benefit trust for tax fell unequivocally on the employer, so it does not necessarily support him in the way he may think.

Nigel Huddleston: There has been debate and disagreement on that, particularly as it relates to section 44 of the Income Tax (Earnings and Pensions) Act 2003 and so on. HMRC has outlined the policy stance on this. Although I understand that there is disagreement, the line is quite clear at the moment.

Andrew Bridgen: I agree with the Minister that there is responsibility on all individuals to ensure that their tax affairs are in order and the correct tax is paid, but what will he tell the House about HMRC’s responsibility to make the public aware that certain schemes may be seen as tax evasion and therefore do not qualify for tax relief?

Nigel Huddleston: That is another important point to which I will come in a moment. I will now make some progress before I take further interventions, because I fear that otherwise I may ruin my responses.

As I said, the way in which we recover tax owed is important, including the interactions that individuals have with key bodies such as HMRC. The Government recognise that there were areas where the impact of the original loan charge was disproportionate to its aims. We have listened to concerns raised by hon. Members in the years since the loan charge was announced, and I have had conversations with HMRC about how it has, for example, endeavoured to improve the tone of communication with impacted individuals.

Changes in approach were also made following Lord Morse's review, about which I have heard many comments today. Many people may not be aware, but in September 2019, the Government asked the former Comptroller and Auditor General of the National Audit Office, Lord Morse, to lead an independent review of the loan charge policy and its implementation. Lord Morse had full discretion over how the review was run, who he consulted and the recommendations made. That consultation included the APPG and many of the people in the Chamber today.

Following the review, Lord Morse recommended notable changes to the policy, and the Government accepted 19 of his 20 recommendations. Those changes benefit about 30,000 people and meant that the loan charge would apply only to outstanding loans made on or after 9 December 2010, rather than April 1999. That was the date when the Government announced anti-avoidance legislation that put beyond all doubt that the schemes were taxable—a very important date. The loan charge would also not apply to outstanding loans made in any tax years before 6 April 2016 where a reasonable disclosure of the use of a tax avoidance scheme was made to HMRC, but HMRC did not take action—again, some have made that point today. Taxpayers were also given additional flexibility in the way they pay in line with their individual circumstances, but Lord Morse was clear that the loan charge was necessary and in the public interest, and should remain in force.

Sammy Wilson: Does the Minister accept that HMRC officials helped to service the Morse review, and restricted its grounds and parameters? The original of that review has not been disclosed, and we do not know how it was changed in the meantime. There are great doubts about whether or not the Morse review was ever an independent review, and ever came to conclusions that would have dealt with the issues and the unfairness we have been discussing today.

Madam Deputy Speaker (Dame Rosie Winterton): Before the Minister replies, I do want to say that I have given him more time than would normally be allocated for a Backbench Business debate. Several colleagues have tried to intervene, but do be aware that we have another important debate to follow. I am sure the Minister will be cognisant of that fact.

Nigel Huddleston: I thank you for that guidance, Madam Deputy Speaker. I will try to proceed through the comments, because I am keen to make a few more points.

The Morse review followed the normal process for such reviews, in terms of the secretariat and support being provided by Government Departments. I have heard the comments made today, but I do not believe a case has been made for another review. I always stand ready to listen, but I think that review stood up quite well. I do not think anybody has impugned the integrity of Lord Morse today, but that review was thorough and significant, and 19 of the recommended changes were implemented. It was a hugely impactful and very thorough review.

Many hon. Members have also made points about tackling promoters, and some individuals facing the loan charge feel rightly aggrieved at the promoters and enablers who facilitated the use of these schemes. Promoters of tax avoidance schemes are parasites on the tax system—let us be in no doubt about that. They cause untold misery to the people they tempt into using those schemes, which almost never deliver the tax savings that were promised. The Government have prioritised tackling promoters of tax avoidance schemes and have given HMRC additional powers to do so, as a result of which many promoters have stopped promoting those types of scheme. One individual involved in the promotion of schemes subject to the loan charge has already been convicted, and others are currently under criminal investigation for offences linked to the loan charge.

Through Finance Acts in 2021 and 2022, the Government also introduced powers that allow HMRC to take action more quickly against promoters. Those include the power to publish details of promoters of tax avoidance schemes and others involved in the implementation of such schemes. In 2022, for example, HMRC issued a penalty of £1 million to a promoter of disguised remuneration schemes, and provisions included in the Finance Bill currently progressing through this House will make it a criminal offence to promote tax avoidance schemes after HMRC has issued a stop notice under the promoters of tax avoidance schemes rules. I am very pleased to say that those measures are receiving support from all parties.

The Government also consulted last summer on measures to address non-compliance in the umbrella company market—again, many hon. Members have commented on that market today—including tackling the types of schemes we have discussed. We will respond to that consultation in due course, but I can let hon. Members know that I and my hon. Friend the Member for Thirsk and Malton (Kevin Hollinrake), the Minister for small business at the Department for Business and Trade, are already discussing what the next steps should be. In the meantime, HMRC will continue to use its full range of civil and criminal powers to disrupt the operations of promoters.

Neale Hanvey: Will the Minister give way?

Nigel Huddleston: Very briefly, and for the last time.

Madam Deputy Speaker (Dame Rosie Winterton): I really am getting anxious—we do need to move on very quickly. I call Neale Hanvey, if he can be brief.

Neale Hanvey: I will be very brief, Madam Deputy Speaker. One of the key problems we have is the inflationary costs that are added to the loan charges. Will the Minister at least commit to look at those costs that are added on to the taxable sums?

Nigel Huddleston: The hon. Member will be aware that I cannot pre-empt the conclusions of the consultation or our response to it, but I hear his point.

Many Members have raised the personal and emotional impact of the loan charge on their constituents. This is something that I, the Government and HMRC do take very seriously. We recognise the distress that loan scheme users may feel when faced with large tax bills on their earnings, often many years after the event, which the scheme promoters wrongly told them they would be able to avoid. We are aware that some people who faced the loan charge have, very sadly, taken their own lives or harmed themselves. HMRC has made 10 referrals to the Independent Office for Police Conduct where a person has taken their own life, and following each referral, HMRC has conducted an internal investigation. Nine of the 10 investigations have concluded, and although no misconduct was found, HMRC is taking forward organisational learning from these matters to further strengthen the support provided in identifying individuals who need extra help. I completely understand the points raised by hon. Members and, indeed, I have myself heard about the emotional distress from individuals impacted by the loan charge. Colleagues have also commented on the nature and tone of interactions with HMRC in the past. Again, I have raised this with HMRC officials, and I will continue to make the point that they should adopt a more understanding tone.

Other points of clarification were raised by hon. Members, and I will endeavour to write to them because there were a few factual inaccuracies. For example, there is an appeals process—it is very important to make that point—and this is not an area in which criminal convictions are acted against the individuals. I will write to hon. Members because there is a lot to debate in this area, but it is very important to make sure that we do not scare people. For example, we must make it clear that there is an appeal process, and there is of course no cost for the appeal process. There are also other matters that I would like to make hon. Members aware of.

I am aware of the timing, Madam Deputy Speaker, and thank you very much for your patience during what has obviously been a very emotive debate today. Finally, I make an appeal. I would encourage those who still have disguised remuneration or loan charge liabilities to engage with HMRC. Thousands of people are still not engaging with it and are therefore not able to seek clarity or the support and guidance available, including emotional support, help from the Samaritans and other measures that HMRC has in place to identify and support vulnerable individuals. I repeat my thanks to

hon. Members for their engagement, and I welcome continued engagement, including with the APPG and all MPs who have raised this topic with me on behalf of their constituents.

Madam Deputy Speaker (Dame Rosie Winterton): I call Sammy Wilson, who has one minute to wind up.

3.37 pm

Sammy Wilson: Since time is short, I will not go through all the speeches, but I thank Members for taking part and for the powerful speeches they have made. There are two points that I will take away. First, there is the frustration, fear and powerlessness that many of our constituents feel in the face of oppressive Government bureaucracy, and the pursuit of those individuals by people who are not and currently cannot properly be held to account. Secondly, to repeat what the right hon. Member for Hayes and Harlington (John McDonnell) said, I hope that we will not be sitting here in four years' time finding out that, although we had this debate, we heard platitudes from the Minister and there was no action. I do not want to take part in a debate similar to the one we have taken part in today. I think it is the duty of the Minister and the duty of Parliament to hold those who have this power to account and to make sure that it does not continue to be abused.

Question put and agreed to.

Resolved,

That this House is deeply concerned that HMRC has confirmed the suicides of 10 people facing the Loan Charge and that, despite the Morse Review, thousands face unaffordable demands, with the risk of further suicides; notes that HMRC has also confirmed 24 cases of serious harm, including 13 suicide attempts; believes that many people who used schemes were victims of mis-selling, and that in other cases employers and agencies pushed people into using them, yet HMRC is demanding all disputed tax from scheme users, not from those who recommended, promoted and operated the schemes; further notes that section 44 of the Income Tax (Earnings and Pensions) Act 2003 deems agency workers to be taxable as employees of those agencies and that HMRC should have collected tax from agencies at the time; criticises HMRC transferring the liability to individuals despite its own failures; observes that HMRC is pursuing open enquiries for schemes before 2011 despite the Morse Review; also notes that HMRC is seeking additional payments from those who settled; further believes that the Morse Review was limited and not genuinely independent of HM Treasury and HMRC; highlights the resolution proposed by tax professionals; calls on the Government to work with all parties to find a fair resolution and for a full independent investigation, including into the conduct of HMRC; and believes that taxpayer rights must be enshrined in law and enquiries closed after four years if HMRC fails to act.

High Speed 2 Compensation

3.38 pm

Theo Clarke (Stafford) (Con): I beg to move,

That this House calls on the Government to provide compensation to people who have been affected by the construction of HS2.

I have called this debate on High Speed 2 compensation as I am concerned about how my constituents in Stafford are still being treated by HS2 Ltd, and I wish to raise their serious complaints directly with the Rail Minister and to hear what he is going to do to address them.

Since the Prime Minister made the decision to cancel phase 2 of the HS2 rail project from Birmingham to Manchester, many people, including constituents of mine, have been left in limbo, with no information about what is happening with their properties or land. This issue affects numerous constituencies and I thank the many colleagues from across the House who are here to support this important debate today, including many neighbours in Staffordshire such as my hon. Friend the Member for Lichfield (Michael Fabricant), my right hon. Friend the Member for South Staffordshire (Sir Gavin Williamson) and my hon. Friend the Member for Stone (Sir William Cash).

Today I am calling for all outstanding HS2 compensation claims to be resolved. I will set out a number of examples in my constituency that demonstrate that the issue of HS2 compensation is still a long way from being concluded and must be dealt with by the Government. Let me start by thanking the constituents who have contacted me, sharing their stories and highlighting how HS2 is deeply affecting them. Several other constituents who previously asked me to raise their case have now asked me not to mention them by name today. I am outraged to discover they have been intimidated by HS2 to do this. In one surgery appointment I was told that a constituent was told, "It would not be good for you to get your MP involved, as that would be bad for your case." This is completely unacceptable behaviour by HS2 Ltd and I want to call it out today.

Jim Shannon (Strangford) (DUP): I declare an interest, not in this case but as a farmer because I understand that HS2 has been contacted by some in the National Farmers Union on this matter. Does the hon. Member agree that to demand land from farmers and not to compensate them quickly and effectively can never be acceptable, and that if a farmer can show loss of earnings, they should receive compensation for that? I understand they currently do not.

Theo Clarke: The hon. Member is absolutely right, and if he bears with me, I will specifically come on to compensation to farmers and the points the NFU has raised.

Andrew Bridgen (North West Leicestershire) (Ind): Will the hon. Member give way?

Theo Clarke: Let me make some progress and I will give way in a few minutes.

I want all those seeking compensation to know that they have not been forgotten. I am speaking up for them all today, to ensure their views are heard at the highest levels of Government. Since being elected as the Member for Stafford, I have raised the issue of HS2 compensation six times in this House—six times—and I have still not

had all of my outstanding local claims resolved. That is not acceptable when HS2's behaviour towards my residents has been shocking. In addition, I have contacted numerous relevant Ministers and spent hundreds of hours working on the issue, visiting affected constituents and advocating for them.

My first piece of casework as a new MP involved a constituent who experienced the most awful mental health crisis because of the stress of the compensation process. I thank my right hon. Friend the Member for Pendle (Andrew Stephenson), who as a Rail Minister worked constructively with me on that case. I appreciate, too, that the new Minister, my hon. Friend the Member for Bexhill and Battle (Huw Merriman), has also met me recently to discuss these issues.

When the Prime Minister announced back in October last year that the phase 2 of HS2 north of Birmingham would be cancelled, I welcomed it as I have long believed that HS2 is a folly. In November the Prime Minister stated that

"we are committed to fair treatment for people affected by the changes".—[Official Report, 15 November 2023; Vol. 740, c. 642.]

While I applaud the Prime Minister's sentiments, there should absolutely be fair treatment for all those affected by the changes, so today I ask the Minister to ensure that HS2 Ltd pays compensation fairly. That is the crucial question made even more pressing in light of the Secretary of State's comments back in November when he said he thinks that those affected by HS2

"have been properly compensated according to the law".

I am sorry to say that that is not the case. I will go into more detail about why there has not been proper compensation in several instances.

When the HS2 route was announced over a decade ago, the value of property and land along the route immediately dropped. The land and properties had become blighted, and we had to set up a very complex compensation system. Those going through the process were advised to hire private agents to assist them through the negotiating process, but I have heard from numerous people that the complexity of the process has meant that they were offered far smaller sums in compensation than the property was worth because of HS2. This process is not only complex but also extremely slow and I am now being told those living along the cancelled phase 2 route who wish to repurchase their property are doing so at a far higher price. This is clearly unacceptable. Why on earth should we be penalising residents who have already been forced to sell their property and land due to the Government building a railway line through their homes?

Michael Fabricant (Lichfield) (Con): I have a constituent called Siân Froggatt, and she had a compulsory purchase order made against part of her farm, involving land that is the only way she can access her farm. Three times she has petitioned HS2 to buy it back, but it says no, and the land will now go on to the open market. How can that be right—I hope the Minister will address this—when the railway line will not even be going alongside? She is willing to pay back the money for her land that was compulsorily taken off her.

Theo Clarke: My hon. Friend makes an extremely important point, and I agree with everything he said. I will give an example from a constituent of mine in a

similar situation. Andrew Collier is a farmer in Stafford farming 650 acres. HS2 purchased just over half his land, and some of that land was earmarked for utilities. The land was taken before harvest time, and he asked HS2 Ltd for permission to harvest his crop. HS2 said it would allow him to do that, so the crop was harvested, but then HS2 Ltd gave the crop to someone else and did not pay him for it. Mr Collier applied for compensation, hoping that it would swiftly arrive. Of course, that did not happen.

Instead, Mr Collier waited for two and a half years for HS2 to compensate him. I emphasise that to the Minister. Even now, he is still owed hundreds of thousands of pounds to cover two years of lost harvests and other outstanding claims. He tells me that two members of his family who worked on the farm have now had to leave, because the remaining farmland is too little for them to work on. Due to the compulsory purchase of his land and the long delays in receiving compensation, he told me in his surgery appointment that his farm is now no longer financially viable. Compounding those issues, his sacrifice is now seemingly in vain, because HS2 phase 2 has been cancelled and the land is lying fallow.

That example is why this debate today is so important for raising this issue. There is a fundamental lack of transparency and fairness in this entire process, and I believe it is causing real harm to my constituents. How HS2 Ltd deals with compensation appears to be completely divorced from practical realities on the ground.

Another example is a local golf club, the course of which is in the middle of the countryside in my constituency. Club members were devastated when they heard that the HS2 route would cut straight through the middle of it. What is to happen now? Similarly, my constituents Jean and Trevor Tabernor own a farm. HS2's route meant that their farm would be spared, but their farmhouse was demolished. Their new farmhouse is nearly completed, and they have been seeking the last instalment of money to finish the work. As we all would expect, that needs to be finalised as soon as possible so that they can complete the construction of their home. However, they are facing delays, and now that the line has been cancelled, HS2 is trying to place restrictive clauses on them "in perpetuity", just for my constituents to receive what they are owed. Those clauses are clearly so that HS2 can maximise the value of its assets. HS2 Ltd is literally the only thing standing between them and their new home. Again, I ask the Minister: what will happen to resolve that? It is affecting people's lives and we simply cannot wait any longer for an answer.

I turn to businesses affected and, in particular, how unsuitable the compensation process is for farmers. In our recent meeting, my hon. Friend the Minister recognised that there are specific issues relating to farmers. I note that in his response to my hon. Friend the Member for Buckingham (Greg Smith), he publicly stated that

"of the land that HS2 has, about 81% has been let back out to be able to be utilised...I want to make sure that we can better understand from the farming community what can be done with the land that is no longer needed".

I thank the Minister for those words. I know he has met the National Farmers Union, as indeed have I in Staffordshire, and others to better understand these issues.

The point that I wish to make is that if unused land is not preserved in its state on the day before farming ended, it will start slowly to deteriorate. For cropland in

particular, that means that the land being returned to farmers will have to be rehabilitated, currently at the farmer's expense. When we consider farmland, it is clear that the compensation process is causing major financial issues by depriving farmers of the land that they farm and their ability to forward plan.

I also have examples of constituents who had not yet reached an agreement with HS2 Ltd when the Prime Minister made his announcement. May I ask the Government not to forget about those residents, who also need to have their compensation resolved?

On how HS2 Ltd proposes to dispose of phase 2 land, following the cancellation of phase 2 it has consistently told residents and business owners that it must act to ensure value for money for taxpayers. As a Conservative, I support that in principle, but value for money in this context appears to mean short-changing those from whom it has purchased land and property. The issue with the proposal is simple: HS2 Ltd is focusing purely on ensuring that it receives the highest price for the land and the properties it has compulsorily purchased, but there appears to have been little thought given to those whose lands have been taken off them and wish to have them back. The NFU has highlighted the issue and is calling for a simpler and cheaper process for returning land; I very much support that.

As part of the process, most property and landowners who had their land compulsorily purchased will be offered the right of first refusal under the Crichel Down rules. However, the value of the lands now will naturally be higher than when it was blighted, and they will also be higher because land and property prices have increased in general. Farmers in particular, and all those affected, tell me that they are having to buy back their own land at a far higher cost. That is unfair. I would like the Minister to look at that again. If the right of first refusal is not taken, what will happen to that land and property? Someone will purchase it and, particularly with farmland, there is an additional danger that developers and land bankers might be keen to buy it, which would completely transform the make-up of former rural communities.

There has been a serious lack of transparency from HS2 throughout all this. I was shocked to read recently that the chief executive of HS2 Ltd revealed that the cost of phase 1 has already increased by £10 billion to £66.6 billion—what a horrific waste of taxpayer money.

Finally, I raise the importance of the Handsacre link, which would bring HS2-compatible trains to Stafford. It was advertised as the reward for the people of Stafford for enduring so many years of issues associated with the project. It would ensure that phase 1 is completed, and a lot of the works required to construct it are under way. I raised the rail link previously, in April last year, when I was assured by the Secretary of State for Transport that the works would continue to progress, but I hear rumours that it is to be cancelled. That would be not only a betrayal of my constituents and a waste of the time and resources put into the construction that has already been completed, but—this is a key point—a breach of the legislation that specifies that it must be built. Will the Minister reassure my constituents that the Handsacre rail link will be completed?

This debate is important because my constituents are still living in uncertainty. The processes surrounding HS2 compensation are flawed, and HS2 Ltd continues to behave disgracefully. Finally, may I invite my hon.

[*Theo Clarke*]

Friend the Minister to visit me in Stafford to talk directly to my constituents and see at first hand how the delays and the lack of fair payments is affecting them, and ask him to commit today to doing something about that? HS2 compensation must finally be resolved.

3.54 pm

Sarah Green (Chesham and Amersham) (LD): I thank the hon. Member for Stafford (*Theo Clarke*) for securing this debate.

As Members may know, parts of my constituency lie directly above the HS2 tunnels in the Chiltern hills, where the tunnel boring machines are due to surface. Particularly affected have been those living near the five vent shafts near Chalfont St Peter, Chalfont St Giles, Amersham, Chesham Road and Little Missenden. For some, the impact has been so severe that they have felt unable to continue living in their homes. Decisions to move are never taken lightly, and they have invariably brought them into contact with HS2's various compensation schemes.

I wish to focus on the experiences of constituents with one particular scheme: the special circumstances or atypical properties scheme. The scheme was set up in recognition that some residents and businesses near the HS2 route may need assistance, despite not meeting the eligibility requirements of other schemes. The first case I shall share is that of a constituent who lived in close proximity to one of the vent shafts. They experienced the construction of a haul road immediately outside their property. Where once there had been a country lane used largely by local residents, now there was a large road with HGV traffic travelling up it night and day. In addition, a 3-metre high embankment was constructed immediately in front of their house, ruining their view, their privacy and the value of their property.

Faced with at least another year of construction work and the permanent blighting of their property, my constituents reluctantly decided to seek compensation from HS2, which would allow them to move. They had this to say about their experience:

"Dealing with HS2 and its contract partners has been a nightmare. They will not properly engage regarding compensation and on other matters they continually delay answering questions, provide incorrect and contradictory information, change their plans without proper notice or consultation and have no regard for the wellbeing of the community.

They block all attempts at proper dialogue, ignore questions and hand matters to different teams to delay things further. If we complain we might get a half-hearted apology for the time taken to respond at all, but nothing changes."

Thankfully, after much stress and inconvenience, the Government eventually bought my constituent's property at unblighted value, under the special circumstances or atypical properties scheme. But it should never have been that hard. The delays, contradictory information, changing of plans at short notice and half-hearted apologies led to unnecessary delay, distress and upset. It did not have to be that way.

The second case I shall briefly share involves constituents who moved to their home in 2007—two years before HS2 was announced. Where previously they enjoyed starlit nights, they now faced floodlights on at all hours. The disturbance and upheaval took a toll on my

constituent's mental health, resulting in their making the difficult decision to sell their home. HS2 initially sought to steer the couple towards the need to sell scheme, which would have forced them to sell their property at market value rather than the considerably higher unblighted value.

After much wrangling, including intervention from my office, HS2 agreed to consider the couple as an atypical case. Part of the problem was that there is no formal application process. The process is opaque. Unfortunately, HS2 agreeing to consider my constituents as an atypical case was in many ways just the beginning. The couple emphasised how degrading the process to finally being accepted was. Despite providing GP and support worker details to HS2 more than once, they continued to receive repeated requests for ever more information, with each request bringing up renewed worry and stress.

Both the cases I have referenced today eventually resulted in the individuals being accepted to the special circumstances or atypical properties scheme, but the process to get there was protracted, stressful and awful. That is what I want to highlight. The schemes need to be administered swiftly, fairly and with compassion. I sincerely hope that the Minister will reflect on those experiences, and that lessons can be learned to ensure that those affected can get a speedy resolution and are treated with the dignity and respect they deserve.

3.59 pm

Sir Gavin Williamson (South Staffordshire) (Con): I congratulate my hon. Friend the Member for Stafford (*Theo Clarke*) on securing the debate. We have already heard from the first two speakers how people's lives have been impacted by this scheme. Many of us, right across Staffordshire, were delighted when we heard the news back in October that the Prime Minister had taken the right decision in cancelling phase 2 of HS2. Many of us had been campaigning for that and we were so delighted to hear the news.

HS2 had already spent £208 million on the purchase of land for phase 2a alone, and that was even before the major construction work was to start. There was a hope and a belief that the land that had been purchased would be returned to the owners and it would all be resolved incredibly quickly. I am afraid to say, however, that even though the announcement was made in October, there remains an enormous amount of uncertainty, an enormous amount of concern and a total lack of clarity for many people who are impacted by the scheme.

As the new year begins, we need clarity on when land will be returned. We need to have an understanding of when the selling of land by HS2 is to start. We need to have an understanding about those people who have had their homes taken from them. When will they be in a position to buy back their homes? When will they be in a position to know what the rules are and what their future may hold?

I appreciate that the Minister has, just today, lifted the safeguarding on phase 2a. I think all of us very much welcome that, but it still leaves many questions that need urgent clarity. I understand that the Department for Transport has said that the return of land will

"take time because the Department for Transport needs to make sure the programme provides value for money for taxpayers and does not disrupt local property markets".

It also says:

“there remains a significant amount of work to do”.

I am sure there is a significant amount of work to do, but there has been a considerable period of time to do that work, and people’s lives are on hold and their nerves have been frayed. Many people just do not know what their future holds. They cannot move on until the Minister and HS2 give them the certainty and the clarity that is required.

I want to touch on a couple of examples that have been sent to me. There is, sadly, a lot of fear among many Staffordshire residents about how HS2 acts. It acts sometimes in quite an imperious manner, without necessarily the care, consideration or consistency that one would hope for from a Government-owned organisation.

One example relates to a farming business. Temporary possession started in 2022, with HS2 taking around 3 acres for environmental mitigation. The family objected to the land being taken on a temporary basis, as they did not want to be responsible for the future maintenance of all the things that were being put on it. Further grazing land of approximately 100 acres was taken under temporary possession in January 2023. A proportion of that land was purchased in July 2023. Meanwhile, preparation for the diversion of a high-pressure gas main began in March 2023. Fencing was erected, hundreds of metres of hedges were ripped out and a compound was built, before work was halted in May 2023. Following the announcement of phase 2a’s cancellation, the family expected the compulsory purchase order to be cancelled and the land to be returned. However, further land was purchased in November 2023. Last time I checked, November definitely came after October, so that was after the Prime Minister announced that the scheme was not continuing.

What are the impacts on these farmers? They are considerable, because HS2 has a very different understanding of the concept of the purchase of land. If any of us in this place, or any of our constituents, wants to purchase land, usually we enter into an agreement, then we pay money, and after we have paid the money, we may get the land. It works very differently for HS2. It can purchase land and never pay for the land. Those affected then have the problem of having to work around HS2, which will never actually build anything on the land.

Here we have a business, a farm, with a 400-cow dairy unit. Because of all the infrastructure changes that HS2 has made, such as removing access to parts of the grazing area, it is difficult for the farmers to move livestock around. It is difficult for them to gain access to land for which they have never been paid, or of which HS2 has taken temporary possession. All this is creating an additional workload, and they have not been compensated and are not clear about when that will happen.

Another example is a small nursery business whose owners depend on people knowing where it is. HS2, which has placed a charge on the land through the Land Registry, will not allow them to cut the hedges that it now owns but has never paid for, but it is willing to charge them, at an incredibly high rate, for the freedom to cut the hedges so that people know where their business is.

This is not the way in which we expect a Government-owned company—a company owned not by some multinational, but by the Secretary of State for Transport—to be able to proceed. I wonder whether, if I pass on the

contact details of those two businesses and other detailed information, the Minister will ensure that their cases are examined closely and that a resolution is found.

So many messages have been sent to me about the manner in which HS2 has conducted itself—about the delays that people have had to suffer, about the uncertainty, and about people having to put their hands in their own pockets and spend tens of thousands of pounds on land agents and consultants to try to get some money back from HS2, but still not receiving anything. So many people have had land taken from them—land that they no longer own, but for which they have never received a single penny.

We need to have clarity. We cannot wait months and months more. I hope that the Minister, who I know is a diligent and caring Minister, will give that clarity today, or, at the very minimum, give a clear timeline for when everyone who has been impacted by HS2 will know the rules by which it is playing, and ensure that there is fairness for the people in Staffordshire who have been affected.

4.7 pm

Andrew Bridgen (North West Leicestershire) (Ind): I commend the hon. Member for Stafford (Theo Clarke) for securing this debate.

The motion states:

“That this House calls on the Government to provide compensation to people who have been affected by the construction of HS2.”

I take a bit of exception to the word “construction”. There has been a great deal of cost and a great deal of injury, especially for the taxpayer. In my constituency, 22 miles of which have been affected by blight for more than a decade, there is certainly plenty of injury and need for compensation, but there has never been any actual construction.

As the House knows, HS2—the second project of the high-speed rail system—was initiated by the Labour Government before the 2010 election. I think it was Lord Adonis’s little pet project, which he formulated on the back of a fag packet as a gimmick for the Labour manifesto, but unfortunately George Osborne picked it up and ran with it.

Michael Fabricant: Did the hon. Gentleman know that before Lord Adonis got his grubby hands on it, a design for HS2 was made by Arup? HS2 would have connected with HS1, and would have gone into major transport hubs such as Birmingham New Street and Manchester Piccadilly. It would have been possible to travel directly from Manchester Piccadilly to France without any changes at all, and do you know what? It would have been cheaper as well, because there would have been no tunnelling through the Chilterns.

Andrew Bridgen: If we were to debate the many failings of HS2, we would need more than the time available today. That will be for another debate, and I have no doubt that the Government have learned lessons, as they always do, but they will have been very expensive lessons for the taxpayer. HS2 is the white elephant that got ever bigger on taxpayers’ money. I opposed the project before it even started. I voted and spoke against it at every opportunity for a decade, but the elephant got ever larger.

[Andrew Bridgen]

My constituents let out a collective sigh of relief when phase 2b was finally dispatched. Today's debate is about compensation, which is defined as an award, normally money, paid in recognition of loss, suffering and injury. Although my constituency did not see any HS2 construction, we certainly had plenty of loss, suffering and injury. We had 10 years of blight, with an area the width of two football fields, running the whole length of the constituency—22 miles—being sterilised.

Countless houses were never built and at least one factory, at the Lounge coal washing site, had to be cancelled—that factory would have created 1,200 jobs. We have had this blight for 10 years. My constituency is fortunate to have the highest economic growth in the country, but that economic growth and prosperity would have been far greater without the blighted land running through the middle of the constituency for more than 10 years.

What compensation can the Minister offer my constituents? Some of them went to their grave, and the biggest worry in their life was that HS2 was supposed to be going through their back garden. I reassured them that it was never going to happen. Despite all the bull and bluster from the Government, it was always going to run out of money. When the route was announced in 2013, I said it was going to end up costing over £100 billion—it is in *Hansard*—and the House laughed. It was right to laugh, because it was not £100 billion, was it? It was £160 billion at its peak.

The hon. Member for Lichfield (Michael Fabricant) is right that the project was supposed to move people seamlessly around the country. As the Government could never afford to get HS2 into city centres because of its burgeoning costs, they quickly ended up aiming to move people from nearly London to nearly Birmingham. If phase 2 had proceeded, it would have gone to nearly Manchester. I do not know anyone who wants to go from nearly London to nearly Birmingham, but the project had to continue.

HS2 has blighted my North West Leicestershire constituency, but I want to talk about one community in particular. The village of Measham was the most affected settlement on the planned route. Nowhere south of Measham had the number of houses and businesses that would have been disrupted, without any mitigation. Knowing it is one of the most deprived communities in my constituency, we had a regeneration plan to work with a fantastic company called Measham Land, through which 450 desirable new houses were going to be built on wasteland in the middle of the village. Working with the Ashby Canal Trust, it was going to fund regeneration projects, including two aqueducts, to bring the canal back to Measham, with a café culture around a large basin at the end of the canal system where people could bring their longboats. There was going to be huge investment in the village until HS2 was announced.

The route went straight through the middle of the Measham Land site. The regeneration of Measham has been delayed for 10 years. The people of Measham have suffered loss and injury, but where is the compensation? Okay, the regeneration will now go ahead, but it is 10 years late. The project would have been completed by now. We have seen that all along the route, not just in my constituency.

Who else has been injured? I will declare an interest: I am probably the only Member of Parliament who had to sell their house to HS2—a house that I bought in 2011. It was a substantial Georgian rectory with outbuildings and 14 acres of grounds, and I was forced by a judge to sell it under the extreme hardship scheme. I sold it in 2015 to HS2. Being a Member of Parliament, I thought, “I can't deal with HS2 myself, so I'll employ some consultants to deal with it, so that it's an arm's length transaction.” They charged me £25,000. It took 18 months, and I went through the system. I explained to the Government afterwards how HS2 has swindled everybody along the line with its property prices, and I will explain to the House how it is done.

It appears to be a transparently fair system, but I can assure hon. and right hon. Members that it most certainly is not, given the psychology behind it. Everybody along the whole route is presented with the same options. If HS2 wants to buy a property or someone has to sell their property—whether it is land, a factory or a dwelling—for various reasons, they will be offered a list of 10 valuers by HS2. The valuers will be mainly London estate agents, of whom the seller will have no knowledge. They may know the names—some of the very big estate agencies are on the list of 10 valuers—but it will be dealt with by the London offices, with which people in the midlands or the north are unlikely to have ever had any contact. They will be asked to choose one of the valuers to value their property, and HS2 will choose another, which sounds pretty transparently fair. They will both come to the property, land or factory to do an valuation. If the valuations are within 10% of each other, HS2 will say, “Let's split the difference and call that the valuation.”

On paper, that sounds very fair, but think about the psychology of it. Those 10 valuers are the valuers for the whole route. They will only ever work for an individual who chooses them at random, because no seller has any knowledge of them whatsoever—it is a purely random choice. By choosing a valuer, someone has done all they can for them; the valuer will get paid their fee from HS2 for doing the valuation. But what the valuers on the list all want to be is the valuer that gets chosen every time by HS2. Given the pressure from the burgeoning costs of the project and the evidence given by whistleblowers who have left the land procurement side of HS2, which of the valuers do hon. and right hon. Members think HS2 will choose on the next occasion: the valuer who puts in the highest price to buy my house and land from me, or the valuer who puts in the lowest price for my property and land? The fact is that the system used by HS2 was always going to drive down the land and property prices paid to those affected by the route, and it is provable that that is exactly what it did.

There have been two notable whistleblowers who have left HS2, and I have spoken to both of them over the years. A former director of HS2, Doug Thornton, was put in charge of planning and performance. He was later put in charge of a £2.8 billion project to acquire all the land and properties that were needed along parts of the route. He went back to HS2 and said, “£2.8 billion is not enough. You can't make a budget and just say we're going to buy all the land and buildings for £2.8 billion.” He said it was nearer £4.8 billion, but he was told that he had to buy them for that price. Does that sound like HS2 was ever paying a fair price for the properties it needed to acquire along the route?

I have also recently spoken to Andrew Bruce, who was in charge of buying land and properties for HS2 until 2016. He had told his superiors that they had never paid a fair market price for any of the land and buildings that he bought while he was there, and he was asked to shred a report that he had done on that.

The two whistleblowers suffered loss and injury as well, because I am told that they were unable to get another job in the industry after they whistleblow on the practices that they experienced in HS2. They might need some compensation as well. We should protect whistleblowers, because without them we would still have a continuation of the Horizon/Post Office scandal. I maintain that individuals and communities have been damaged by HS2, and I would be interested to know what compensation the village of Measham will get, and what we are going to do for every householder and landowner along that route, who I can prove did not get the right price.

The Minister has promised me a meeting twice in the last two months, and I still do not have a date for it. I really hope that he will come through for me. I hope that lessons have been learned by HS2 and the Government. It has been a week of scandals— Horizon/Post Office, the loan charge, HS2—and the Government have not covered themselves in glory.

Several hon. Members *rose*—

Mr Deputy Speaker (Sir Roger Gale): Order. Three Members, plus the Front Benchers, still wish to speak. The debate has to end at 5 o'clock. I urge brevity upon colleagues.

4.21 pm

Dr Kieran Mullan (Crewe and Nantwich) (Con): I congratulate my hon. Friend the Member for Stafford (Theo Clarke) on securing this important debate and advocating for her constituents. As my remarks will show, I am considering the topic from a slightly different but equally important angle. I am here to press the Government to compensate Crewe in the light of the cancellation of HS2 from Birmingham to Crewe, and then on from Crewe to Manchester. I hope that the House will indulge me: for medical reasons I was not on the estate when we returned from recess following the announcement by the Prime Minister regarding HS2. I made my opposition to the decision clear at the time, but the decision has now been made, so I will not spend time rehearsing the arguments. I recognise that I would be heavily outnumbered today on that front.

I will, however, place on the record the disappointment of my constituents and local businesses. The arrival of HS2 to Crewe represented a fantastic opportunity for the town to secure economic growth and improve connectivity on both inter-city and other rail travel. Crewe has a positive future regardless, but there is no denying the super-charging effect that HS2 coming to Crewe would have had. I must reluctantly accept the Government's decision, and recognise that other proposals can now move forward as a result. As part of Network North, we will see increased funding for most existing major road network and large local major road schemes. Those schemes can benefit from an uplift in Government contributions from 85% to 100% of their cost, and increased funding will help to ensure the delivery of the schemes. It will also lead to over £700 million to fund a

new wave of bus service improvement plans in the north, and an extra £3.3 billion to tackle potholes as part of a road resurfacing scheme.

There is no doubt, however, that as things stand Crewe has not been fairly compensated in the light of the changed plans. Those in local government in Cheshire, and in Cheshire East in particular, were encouraged to engage with and prepare for HS2's arrival. Had they not, I am sure they would have been subject to extraordinary pressure from central Government to do just that. Regeneration funding given to the town and, in particular, our town deal were calculated with a clear understanding that this other form of central Government investment was happening. Cheshire East reports that it spent over £11 million in preparing for HS2 and the Crewe hub. That includes £8.6 million in the capital programme and £2.6 million of direct revenue expenditure.

While it is not for me to decide the wisdom of all that expenditure line by line, it was a significant amount of money, predicated on repeated long-term commitments from central Government. That investment was due to realise regeneration in Crewe that it will not now achieve. That money could have been spent directly in Crewe in other ways that did secure regeneration. Of course we can expect our share of the reallocated bus and road funding, but that is just the share that we would have expected to get if HS2 was never coming to Crewe. A decision has been taken, which the Government argue a wider region will benefit from, but the Government need to recognise the financial impact on Crewe and step up to the plate.

I do not accept that Cheshire East can blame the decision for all its financial woes—that is obvious political manoeuvring—and it is important that the lion's share of any funding goes to Crewe and is not used just to fill the financial problems facing the wider council, but I do accept that the Government must compensate us locally for the implications of their decision.

We have a lot of positive things to talk about in Crewe. As I mentioned, our town deal is funding a £22.9 million package of projects, including a community centre in the regenerated and reopened Flag Lane Baths, a brand new home for the south Cheshire amateur boxing club, a new youth club, improved pocket parks, investment in empty shops and more. We also have £14 million from the future high streets fund. However, the economic value, both direct and associated, with being an HS2 hub station was of significant scale and the return on bus and road funding will see a shortfall that I press the Government to look at.

We know a number of sites got significantly bigger town deals and levelling-up funding has been made available to other places on a bigger scale. That was not unreasonable in the context of HS2 coming to Crewe, but now it is not. I know the rail Minister is only one part of the puzzle, but I hope there is recognition across Government that movement is needed. Will the Minister confirm the Government's commitment to coming forward with proposals to compensate Crewe, over and above the money all areas are receiving based on the decision taken on HS2 and that we expect to receive? When will that funding be made available and how?

When the dust has settled, the Government should be able to demonstrate clearly that the impact on Crewe has been recognised not just with words but with a clear investment of funding. That is the fair thing to do.

[Dr Kieran Mullan]

I know the Minister recognises the obligation that any reasonable person would see exists and I expect he has been pressing the case, but time is moving on. What we need now are results.

4.25 pm

Greg Smith (Buckingham) (Con): I congratulate my hon. Friend the Member for Stafford (Theo Clarke) on securing this important debate. It gives me the opportunity—I have done this many times before in this Chamber and at the Transport Committee—to continue to detail the plight faced by landowners and small business owners alike who, through no fault of their own, have been swept up in the seemingly endless and needless disruption caused by HS2 Ltd and its contractors in my constituency.

People face losses and hefty legal bills that have left many unprofitable, some facing near bankruptcy and all without the means to recoup their losses in any equitable way. Time and again, I have heard about the inescapable, infinite loop of bureaucracy that surrounds what meagre compensation HS2 Ltd is willing to cough up, which in itself increases and prolongs my constituents' legal costs. One landowner told me that her land agent is increasingly reluctant to take on more work as more and more of his bills, which under the Act are meant to be compensated by HS2's own agents Carter Jonas, go unpaid.

A couple in my constituency have been caught up in this legal quagmire, with HS2's insistence that their septic tank be replaced before the project purchases the property at a predetermined rate. What was supposed to be a relatively straightforward job turned into a multi-month process, preventing my constituents from selling their property at that agreed price, effectively leaving them short-changed, despite them simply following due process. They have yet to be compensated for the difference between the agreed value and the actual value of their property.

In the village Quanton, which in one way or another has been continuously impacted by HS2's road closures, yet another road closure is about to come into effect, this time for two years. That will devastate my constituents at Doddershall House, whose business will suffer from reduced access to and from the estate, and require a lengthy diversion both for them and their clients. HS2 has not even attempted to offer them compensation.

For our farmers, cattle loss has blighted numerous farms as a result of poor soil treatment and management by HS2's contractors, often operating right next door. One farm has quoted a total loss of £37,000 as a direct result of HS2's shoddy practices. How can this possibly be morally justifiable for the project? How can a hardworking family be left with such heavy losses?

Then there is blackleg, a disease in cattle that is caused by bacteria released from disturbed soil. I am aware of at least one case that the farmer has attributed to HS2's malpractice. It is noteworthy that farmers in this area have never seen a blackleg case before in Buckinghamshire. No prizes, Mr Deputy Speaker, for guessing how much compensation has been offered—for the avoidance of all doubt, it is zero.

It is not just farmers and landowners who suffer from being left out in the cold by HS2. Hundreds of road users across my constituency are forced to sit in endless congestion wherever HS2 decides to cut down a tree, closing whole roads in the process, and there are endless

utility diversions. Commuters, buses taking children to school and ambulances responding to life-or-death situations have all had their journeys repeatedly disrupted by HS2, with no recourse to any form of compensation.

Whether it is the A41 through Waddesdon and Fleet Marston, or the villages near Wendover, such as Ellesborough and Butlers Cross, these endless, endless diversions are costing real people real money and real time and, in some cases, lives on a daily basis, and there is no compensation. That is before we even get to the state of Buckinghamshire's roads, destroyed by thousands of HGV movements linked to HS2 construction, causing endless damage to cars, from tyres to suspension systems. Again, HS2, with its fingers in its ears, does not take any responsibility for what it has broken in Buckinghamshire.

Briefly, I come to businesses, with the example of the Prince of Wales pub in Steeple Claydon, which sits at the heart of HS2 disruption and destruction and is also very near the building of East West Rail. Roads in and out of the village are constantly closed—Addison Road, for example, was closed for many, many months recently. It is costing the pub nigh on £1,000 a month in lost revenue. At one point, the landlord told me that he was £65,000 down. There is no scheme—nothing at all—to compensate businesses affected in this way. Real livelihoods and the real viability of businesses are being challenged. I put that to a former chief executive of HS2 Ltd, Mark Thurston, when he actually bothered to visit my constituency in May, and the language he used about the pub is unrepeatably in this Chamber. There was no sympathy; he just said that it was just a—expletive—“little pub that nobody would want to drink in anyway.” That is not the attitude that we expect from anyone paid by the state.

Just next door in Steeple Claydon is Langston & Tasker, which stands out among the businesses affected by HS2 construction because, as a bus and coach operator, it is hit hard by any road closure. It operates school runs, taking Buckinghamshire children to school daily, yet the constant road closures, the state of the roads and the damage to their vehicles are costing the company considerable amounts of money every single day, which ultimately gets passed on to Buckinghamshire Council and local council tax payers. Does HS2 pay a penny towards it? No, of course not, but it absolutely should.

Mr Deputy Speaker, I could go on with examples like this all afternoon, but I am very aware of the time and the fact that others wish to speak. My message to the Minister, who I know does listen, has visited my constituency and does want to get this right, is that we must do better. HS2 Ltd must do better. The attitude needs to change. The practices need to change. HS2 needs to understand the real lives that it is devastating on a daily basis, be that people who own property or people who are just trying to go about their daily lives—going to work, getting the kids to school, and perhaps having some fun. The people from HS2 need to understand the impact that, as unwelcome aliens in Buckinghamshire, they are having daily as they build this railway. My challenge to the Minister is this: let us get the compensation that real people—my constituents and so many more—deserve.

4.33 pm

Michael Fabricant (Lichfield) (Con): I thank my near neighbour and hon. Friend the Member for Stafford (Theo Clarke) for introducing this debate. We have heard a catalogue of problems from various colleagues

here on both sides of the House. The sad thing is that they are not unique. They are repeated up and down the country.

When I was a Whip, I instituted a system—I am looking at my hon. Friend the Member for Rushcliffe (Ruth Edwards), who is the Whip, to see whether this system still operates—where we would look at our Members of Parliament to see how many staff they got through in a short period, because clearly there was a problem if someone could not hold on to their staff for long. We would think that the Minister or Back Bencher in question was seriously flawed in some way. How many chairmen and chief executives has HS2 gone through? It has gone through a lot, because they are flawed in a serious way; they are dysfunctional.

Andrew Bridgen: That is made even more amazing by the fact that they have gone through all these senior staff at HS2, and yet it is the highest paid role in the civil service.

Michael Fabricant: It is extraordinary, and it just demonstrates what an organisation this is—not only dysfunctional, but unfair. In an intervention, I talked about my constituent Siân Froggatt, who is not being allowed to reclaim land that was compulsorily taken from her, even though the land is now not needed because the railway is not going ahead on phase 2a. I might add that she is still waiting to be paid—waiting to be paid, and still unable able to reclaim that land.

I took the opportunity of looking at my cellphone during the debate, not because I was looking at tractors or anything like that, but because I was doing some research about the Crichel Down rules. It says on the Government's own website that

“The Crichel Down Rules require government departments... to offer back surplus land to the former owner or the former owner's successors at the current market value.”

It has to be offered back to the same people. Not only is it not being offered back at a reasonable price, but it is often not being offered back to the same people.

I came in at the very last moment to speak in this debate, so I will not take up a great deal of time. I will listen with interest to the Minister's response, which I suspect might be the same as the answer he gave yesterday in a different debate regarding the Handsacre junction, which happens to be in my constituency. I ask that in these dying days of HS2—dying days in one way or another—the Government get a grip and ensure that, just we asked in the previous debate, justice is done for our constituents. The sense of justice we have in this nation extends not only to His Majesty's Revenue and Customs, as in the previous debate, but to HS2 Limited in this one.

4.37 pm

Mike Kane (Wythenshawe and Sale East) (Lab): I congratulate the hon. Member for Stafford (Theo Clarke) on securing this important debate and thank the Backbench Business Committee for granting the time. I also thank the right hon. Member for South Staffordshire (Sir Gavin Williamson) and the hon. Members for Chesham and Amersham (Sarah Green), for North West Leicestershire (Andrew Bridgen), for Crewe and Nantwich (Dr Mullan), for Buckingham (Greg Smith) and for Lichfield (Michael Fabricant) for contributing to the debate.

The stories we have heard, and those that have been reported over the years, show the very real consequences of this Tory HS2 fiasco—[*Interruption.*] There is some muttering from Conservative MPs. If the civil service and the Department for Transport were not involved in the decision to cancel that was announced by the Prime Minister in Manchester—it was done on the back of a fag packet, which has been used today, all day—it is no wonder that we got this type of fiasco.

We have heard of people having to leave the family home that they worked hard for, businesses having to pack up and leave their premises, towns and villages seeing homes targeted after they were bought and later left to rot, and farmers being forced to move or unable to use their land for years because of more and more delays to HS2. We have heard of cash-strapped councils such as Cheshire East Council, which the hon. Member for Crewe and Nantwich told us paid out £11 million. I commend the Labour spokesman Connor Naismith on his campaign to have the council reimbursed for the money lost.

Communities have had their future put on pause for years and families have found getting compensation to be a painful and drawn-out experience. Lives and businesses have been disrupted for a decade, and for what? A staggering £65 billion high-speed train line that will now not even reach the communities that have been impacted—a train line that, according to the chair of HS2, will result in fewer seats and longer journeys for those travelling north of Birmingham. What a result for the people living in those communities and across the north.

All that is even before we consider how much taxpayers' money has been spent on the compensation. According to reports, almost £423 million has been spent buying up 424 properties on the western leg from Birmingham to Manchester, and £164 million spent buying 530 “blighted” properties on the eastern leg to Leeds. Today comes the news that the Government are lifting safeguarding on the land; not content with cancelling high-speed rail to the north, the Prime Minister has now decided to salt the earth. If we were not aware already, that must be the final nail in the coffin for levelling-up.

Sir Gavin Williamson: Can the hon. Gentleman clarify whether, in the unfortunate and unlikely event of a Labour Government, they would reimpose safeguarding on phase 2a?

Mike Kane: Like Napoleon out of Moscow, it is routed through the poisoned-earth strategy with the lifting of the safeguarding today. We have to be responsible. We will have to see what the books tell us if we are to enter Government in the weeks or months to come.

We have seen 14 years of promises to the north and the midlands broken. In the Prime Minister's desperate, failing attempt to rebrand himself as the change candidate at the next election, he decided to rush through an alternative plan at the party conference—a plan that mentions places such as Crewe, which, as the hon. Member for Crewe and Nantwich rightly said, would have greatly benefited, but a plan that the Prime Minister admitted was only “illustrative”. Illustrative? The Network North plan announced fantastic news for my Wythenshawe and Sale East constituency—a new Metrolink line to Manchester airport. It opened in 2016. That illustrates the chaos and the confusion of that announcement.

[Mike Kane]

The now Foreign Secretary was not alone on the Conservative side in criticising the decision. Two former Chancellors warned the Prime Minister that his actions were “huge economic self-harm”, while the Tory Mayor of the West Midlands described it as “cancelling the future”—a great line, if I may say so to the hon. Member for Lichfield. In what is a consistent theme for this Government, this whole mess has been created by not consulting the communities affected, not speaking to our Metro Mayors and not listening to the businesses across the country that were depending on the project.

After 14 years, communities have had enough of the broken promises from this broken Government. Labour will not repeat those mistakes—mismanaging major projects, turning people’s lives upside down, taking their trust for granted, impacting their businesses and livelihoods and failing to deliver.

Greg Smith: I am listening carefully to the shadow Minister, who is telling us that a mythical future Labour Government would not disrupt people’s lives. Does he understand that building HS2 does devastate people’s lives? Big infrastructure devastates people’s lives and there is no way to do it without doing that.

Mike Kane: That is exactly why Labour would do it with the Mayors, with the communities and in consultation with those it would affect and impact. HS2 was going to go under my back garden—that was my interest.

Theo Clarke: The hon. Gentleman just said that Labour would do it. Just to be clear, can I confirm that Labour is now saying it will bring back HS2 if it wins the next election?

Mike Kane: I refer to the answer I gave to the right hon. Member for South Staffordshire; that remains our position. Labour has launched an independent expert review of transport infrastructure headed by industry leader Jürgen Maier, originally of Siemens, to learn the lessons from this shambles and to ensure that we deliver transport infrastructure faster and more effectively, so that communities are not taken for a ride with nothing to show for it, as has been the case here.

In this debate we have heard just a few of the many examples of people’s lives being impacted by this Conservative HS2 scandal. It is clear that communities are still paying the price for the delays of the past decade and the chaos of the past few months.

Michael Fabricant: The hon. Gentleman is being very generous in giving way. Would he generously accept that, if it had not been for Lord Adonis changing the original plan, HS2 would have gone nowhere near areas such as the Chilterns? It would have gone up a completely different route and been a connected railway, and would probably have been quite worthwhile.

Mike Kane: I thank the hon. Member for his intervention, but seriously, after 14 years, those types of excuses are wearing extraordinarily thin, if he does not mind my saying so.

I hope the Minister will outline what is being done to address this chaos—costs are still going up after the decision in October—to ensure that those impacted

receive the compensation that they deserve, as Members have well underlined, and that the same mistakes are not made again and again in future. I look forward to hearing the Minister’s remarks. Once again, I thank the hon. Member for Stafford for securing the debate and all Members who have participated.

4.45 pm

The Minister of State, Department for Transport (Huw Merriman): I commend my hon. Friend the Member for Stafford (Theo Clarke) for securing this important debate and I acknowledge all contributions from right hon. and hon. Members. I will come to them in the course of my response.

As the House will be aware, the Government laid a written ministerial statement this morning announcing the lifting of safeguarding directions along the former HS2 route between the west midlands and Crewe. By lifting safeguarding, the Government are providing certainty to people along the former route of phase 2a and making development easier, as HS2 Ltd will no longer object to proposed development in the area to which the safeguarding direction had applied.

To be clear, however, the lifting of safeguarding does not in any way trigger the start of a sell-off of property already acquired by the Secretary of State. No land owned by the Secretary of State will be sold off until we are ready. Safeguarding applies to land owned privately. The imposition of safeguarding on phase 2a had hitherto protected HS2 from conflicting development from any private landowner.

Safeguarding has now been lifted from phase 2a, with one notable exception: the continued safeguarding of land close to the village of Handsacre, north of Lichfield in Staffordshire. That junction, which I know is dear to my hon. Friend the Member for Stafford, and indeed to the constituency MP, my hon. Friend the Member for Lichfield (Michael Fabricant), is now an even more critical part of the HS2 infrastructure. It will allow HS2 trains to join the west coast main line through a connection to the existing rail network. I can confirm that the Government remain committed to delivering the Handsacre connection, as we are committed to delivering HS2 phase 1.

From London to the midlands, 140 miles of new railway is being built by thousands of engineers and construction workers at 350 active construction sites. At Euston, we are working with our development partner, Lendlease, to model an ambitious redeveloped Euston quarter and deliver thousands of homes and offices that will provide the financing for HS2 trains into central London. Today’s important announcement is further evidence that we are listening to businesses and residents along the former phase 2a route, and we will continue to do so.

Let me give the further information that my right hon. Friend the Member for South Staffordshire (Sir Gavin Williamson) and my hon. Friend the Member for Lichfield requested. We will amend the safeguarding on the remainder of the phase 2 route of HS2—from Crewe to Manchester and from the west midlands to Leeds—by the summer, to allow for any safeguarding needed for Northern Powerhouse Rail. To respond to the point made by my right hon. Friend, we will shortly design a programme for the disposing of any property that is no longer needed by HS2, and will set out more details soon.

I can confirm that any land and property that was acquired for HS2 compulsorily or via statutory blight but is no longer required will be sold, subject to the Crichel Down rules. Those rules, as my hon. Friend the Member for Lichfield set out, require Government Departments, under certain circumstances, to offer back surplus land and property for sale to the former owner, or their successors, at the current market value. I therefore assure my hon. Friend that we are ensuring that property is offered back at a fair price to original owners with first refusal.

Andrew Bridgen: The Minister says that the properties acquired by HS2 that are no longer required will be sold at the current market price, but does he accept that, as I have explained to the House, HS2 did not pay a fair market price at the time of the acquisition of those assets?

Huw Merriman: I am due to meet the hon. Member. He said that I had declined to meet him after two requests; actually, I had a meeting in his diary yesterday, but according to his office he was unable to make that meeting. We have set another date for 31 January. I will talk to the hon. Member about the matters he raises; the Department and the HS2 team have looked at them before and do not agree with the conclusions he has mentioned, but we will discuss those matters when we meet on the 31st.

As has been set out by my hon. Friends and other Members who have spoken, property owners who have found themselves obliged to deal with HS2 Ltd and its contractors have had varied and, at times, inconsistent experiences. Those property owners are understandably less interested in what HS2 can or cannot deliver for transport and the wider economy: their focus has instead been on seeking the compensation they are entitled to, and navigating what must at times have seemed like an unequal relationship with HS2 Ltd.

I readily acknowledge how important it is that those owed compensation, such as money for the purchase of their property or expenses or costs associated with such transactions, are paid in as timely a manner as is possible. I have always sought to impress on the company and its agents that it is unacceptable that cases should drag on. That is of no benefit to anyone—certainly not the property owner, and certainly not the taxpayer.

When it comes to paying owners for title to properties that they have, in many cases, sold unwillingly, it is only right that those owners should receive recompense in full and as fast as is practicable. That said, each property transaction is unique, so presents its own set of circumstances. As many in this House will be aware, when negotiating and settling compensation claims, HS2 Ltd follows the principles set out in the compensation code. There are also a number of discretionary schemes that offer further help to those not eligible under the statutory framework—in effect, they go above and beyond that framework.

HS2 Ltd must achieve a careful balance between meeting the needs of the claimant and delivering value for money to the taxpayer. The compensation code requires claimants to provide robust evidence for their claims. It is often when claimants are struggling to provide sufficient suitable evidence for their claims that negotiations become frustrated, leading to delays. I will be frank: the extent to which claimants' agents provide suitable evidence, or are willing to negotiate from a

realistic standpoint, varies considerably—I have found myself in the middle of some discussions of that type in constituents' homes. It is important to understand that background, as it helps to explain why, in some instances, property owners consider that they are having payments withheld. When late payments do occur, they are never acceptable, but our data shows that they are the exception rather than the rule.

Property cases should be concluded as soon as is practicable, within the constraints imposed by the balance of the property owner's interests and those of the taxpayer. The evidence shows—I will happily write to every right hon. and hon. Member who has taken part in this debate—that HS2 Ltd is succeeding in closing down claims, despite the considerable complexities that those claims involve. However, I acknowledge that there are a number of impacted parties with whom HS2 Ltd has not yet been able to reach agreement and negotiations have become challenging, and we have heard about many of them this afternoon. As I mentioned, I have got myself involved in many of those cases to move them further along and challenge HS2 as to the position taken.

My hon. Friend the Member for Stafford is a tireless advocate for the cases that have arisen in her constituency, some of which she and I have previously discussed, as she mentioned. She has cited some particular cases during the debate; I will write back to her with my latest understanding of where matters sit regarding her constituents Mr and Mrs Tabernor and Mr Collier. The same applies to other constituent cases named in this debate by my right hon. Friend the Member for South Staffordshire and others.

With regard to the point about intimidation—I say this as someone who chaired the Transport Select Committee—I believe that everyone should be able to give clear, frank, open and transparent evidence without fear or favour. If there is any evidence of intimidation, I will of course look at it and make sure that it is eradicated. I give everyone in the House that assurance. As my hon. Friend the Member for Buckingham (Greg Smith) has demanded, I am determined that HS2 Ltd should continue to up its game in dealing with difficult and disputed cases, such as the ones that have been mentioned today and others that I am aware of.

Let me touch on a few matters raised by other hon. Members we have heard from but I have not mentioned. The hon. Member for Chesham and Amersham (Sarah Green) referenced a number of cases. I am very happy to meet her, as I have previously. She is a tireless advocate on her constituents' behalf and I will meet her again to discuss some of those cases. I have touched on the points made by the hon. Member for North West Leicestershire (Andrew Bridgen) and look forward to meeting him and going through the points he made in the debate.

My hon. Friend the Member for Crewe and Nantwich (Dr Mullan) has been a tireless advocate of the benefits that HS2 could deliver to his constituency, and it is the one part of the country that I believe needs particular mention. I spent a morning with him and local Cheshire East councillors looking at the potential and at what the team had brought. It will not have escaped his attention that the local government Minister—the Under-Secretary of State for Levelling Up, Housing and Communities, my hon. Friend the Member for North Dorset (Simon Hoare)—has entered the Chamber. The two of us spoke earlier this week about the needs of Crewe, and we also spoke to other colleagues. He has

[*Huw Merriman*]

been a tireless champion of the council, with the predicament that it finds itself in, and when I and the local government Minister meet the team from Cheshire East, my hon. Friend is certainly welcome to join us. We have made such points to other colleagues, and we are determined to help and to work together. I know that the local government Minister cares about these matters and will work with us to do so.

I say gently to the hon. Member for Wythenshawe and Sale East (Mike Kane)—he is a fellow football player with me, as well as a good friend—that the Labour position appears to keep changing. Just last week, the Leader of the Opposition went to Manchester to say that HS2 would no longer continue, which was slightly inconsistent with what we heard this afternoon. It may well be the case that many dispute the plan we have in place, but the plan is not to go ahead with HS2 north of Handsacre, and instead to spend that money—the £36 billion—on projects across the country, particularly to benefit all cities across the north and the midlands. That is the plan, but I think we would all like to know what Labour’s plan is. Is it going to deliver HS2? If it is not going to deliver HS2 beyond the midlands, is it going to commit to the £36 billion that this Government are committing to levelling up? I think we would all like that clarity, not least the constituents represented by all those sitting behind me.

Greg Smith: Will the Minister give way?

Huw Merriman: I cannot because of the time—by the look on your face, Mr Deputy Speaker.

Let me end with three final points. First, I thank my hon. Friend the Member for Stafford and all the other Members present for tirelessly working on behalf of those affected by HS2 and for the manner in which they have engaged with me. I am at their service. Secondly, I welcome and accept my hon. Friend’s kind invitation to visit Stafford. I will do so, and before the spring is out. Thirdly, and in conclusion, I commit to do the best that I can for property owners impacted by HS2, which includes ensuring the timely payment of compensation, the urgency of which has been laid bare in this debate.

4.57 pm

Theo Clarke: First, I thank the Minister for listening to the extraordinary examples we have heard this afternoon of how HS2 has behaved to our constituents.

I thank in particular my hon. Friend the Member for Lichfield (Michael Fabricant), the hon. Member for Chesham and Amersham (Sarah Green), my right hon. Friend the

Member for South Staffordshire (Sir Gavin Williamson), the hon. Member for North West Leicestershire (Andrew Bridgen), and my hon. Friends the Members for Crewe and Nantwich (Dr Mullan) and for Buckingham (Greg Smith) for speaking in this debate.

I welcome what the Minister has said, that he will visit my constituency to meet affected residents, and in particular that he will write to all of us who have spoken in the debate to provide clear answers on the individual cases we have raised. It is very clear from this debate that there is still considerable uncertainty over HS2, and I welcome the fact that the Government are going to look again at resolving all outstanding compensation claims.

Question put and agreed to.

Resolved,

That this House calls on the Government to provide compensation to people who have been affected by the construction of HS2.

PETITION

Morecambe Town Council

4.58 pm

David Morris (Morecambe and Lunesdale) (Con): The petitioners of Morecambe, on behalf of 3,919 responses, which is over a quarter of the households of Morecambe, request the House to take into consideration their petition against Morecambe Town Council’s precept rise of 231% for 2023-24 to create, without a full referendum, a slush fund of £1 million, which has been put to one side. This amount should be returned by any means possible to the constituents of Morecambe, either in the form of a complete freeze in future council tax until it is paid back or by any other mechanism that this House can employ to meet that objective.

Following is the full text of the petition:

[The petition of residents of the United Kingdom,

Declares that the petitioners do not agree with the increase in the parish precept implemented by Morecambe Town Council.

The petitioners therefore request that the House of Commons urges the Government to review the increase in the parish precept implemented by the Council and cap parish councils from being able to implement a large rise in Council Tax without a formal referendum in the future.

And the petitioners remain, etc.]

[P002899]

Sandwell Metropolitan Borough Council

Motion made, and Question proposed, That this House do now adjourn.—(*Ruth Edwards.*)

4.59 pm

Shaun Bailey (West Bromwich West) (Con): I am very grateful for the opportunity the House has given me to bring forward this debate. All I can say is, here we go again: Sandwell Metropolitan Borough Council back on the Floor of the House.

Before I turn to my broader critique, I do want to talk about the positives, because there is positive news about Sandwell. Despite the line parroted by the failing Labour administration in Sandwell about this £105 million it has magicked up that it does not have, in fact the Government has helped Sandwell with nearly £411 million of investment since 2019, enabling the communities that form the six towns in Sandwell to realise their potential and opportunities. We have seen that in £65 million-worth of town deals, with £22.5 million for Tipton town centre in my constituency, £20 million announced for Wednesbury Friar Park and some £4 million on a heritage action zone in Wednesbury town centre.

However, the focus of the debate is the governance of Sandwell and, in particular, the governance around such schemes. At times, I share the frustration of my constituents, who are not seeing the council spend the capital investment that is coming through. That begs the question of why. Surely it is in the council's interest to get this off the ground and to spend the investment now, and to see the economic and social benefits for our towns come to fruition. I share the frustration of my constituents over the governance of these programmes, because that simply is not happening. That is a damning indictment of a failing administration.

I want to touch briefly on the community. I have been very critical of the council in my time in this place, and rightly so. It is often referred to out there as “bent Labour Sandwell”, “soviet Sandwell” or “the socialist republic of Sandwell”, but despite the failings of the crackpot Labour administration, the communities that I represent have real heart and this has built a real sense of community campaigning. We have seen that come to fruition often when fighting back against the bizarre governance of Sandwell, for instance through our successful campaign to save Walker Grange care home in Tipton in my constituency. Labour-led Sandwell council argued that it was going to turf out the residents, whose ages ranged from 70 up to 100, because it could not afford the costs. When our action forced transparency on that, we found that Sandwell had underspent its budget by £2 million. Again, when we put Sandwell under scrutiny, we find that we cannot trust the answers we get back from it.

The spirit of community campaigning was also shown through the community-led campaign that saved Tipton police station. That is obviously not under the direct control of Sandwell council but it was interesting to see the Sandwell Labour leadership rubbish the campaign that the community had led alongside myself and others, and it was even more interesting that our police and crime commissioner attempted to rubbish that campaign. He is the same PCC who is using public funds to try to launch a judicial review against the Government's decision to merge the Mayor and the PCC. I hope my hon. Friend the Minister will relay to colleagues that it would

be good if, when the PCC loses that case, he is made to refund out of his personal funds the money he has wasted on this ridiculous court action.

Let us turn to the heart of this debate, which is Sandwell Metropolitan Borough Council and the stuff it has done. I could talk about a litany of things. I could talk about the special educational needs transport contract that went from having 19 providers down to two—a £22.5 million contract doled out to a friend of the disgraced former Labour leader. When parents challenged the council on that, they were told, “Shut up or you will lose your transport.” They were told that if they criticised the council on social media, their children, some of the most vulnerable in the borough, would not be able to access the education that they need. We then had the disgraceful situation some 12 months ago of a clause being put in social tenants' contracts, saying that if they criticised the council on social media they could face disciplinary action up to eviction. It would be a parody if it were not true. It is the socialist nightmare.

We have seen, once again, that child social services requires improvement. That is an improvement from inadequate. I have to ask the comrades at Sandwell Metropolitan Borough Council why they think that kids in my constituency do not deserve the same life chances as everyone else. To me, their failure in this space is indicative of the disdain they clearly have for the communities they represent.

I could talk about the failures on housing. I have been working recently, as many colleagues have, on rogue developers. We had an incident recently with two estates in my constituency, where the council, in dealing with a relatively new, untested developer, decided not to follow its usual course of using advance payment codes—in other words, getting bonds ahead of time, so that were the developer to go bankrupt, the council could access capital funds to do such things as pave the roads and sort out the lighting. The council decided, for some unexplained reason, not to do that. When I challenged officers at the cabinet petitions committee, they could not say why they had not done that. The political leadership of the council simply said, “Other boroughs don't do it, so why would we?” There is a complete and utter lack of accountability from these people, and they have complete disdain for the communities they represent.

I must touch on the waste contract and the campaign I have launched to keep our weekly bin collections. Sandwell council has entered into a £650 million, 25-year contract—yes, that is right—for bin collections. The council's proposal is to take collections fortnightly, predicated on the basis that it would somehow save money, but it is tied into this contract. When it has signed on the dotted line for 25 years, I struggle to see how that move would save any money. As part of that, we saw a strike last year run by Sandwell Labour's paymasters in the GMB that saw flying pickets and aggressive tactics. That was only stopped because the community effectively rose up, counter-picketed and counter-protested, and showed Sandwell Labour's paymasters that they were not going to tolerate this anymore, because why should they? All they see is rising taxes, failing services and falling standards.

The retort we hear from the Labour administration in Sandwell is that the situation is due to 14 years of the Tories and Tory cuts. That is the line Labour constantly likes to use. I am sure that my hon. Friend the Minister hears that often from Labour colleagues in local government.

[Shaun Bailey]

I simply say this in response: the Labour party has led Sandwell council for 50 years—half a century—under Governments of all persuasions and all colours, yet people's lives have got worse.

If you want to know why your kid cannot access a decent school, do not look here; ask Sandwell Labour. If you want to know why your streets are not safe at night, ask Sandwell Labour why it is closing your police stations. If you want to know why you cannot get your rubbish collected, ask Sandwell Labour. If you want to know why the services you pay for are not adequate, ask Sandwell Labour. It has had the cash, the investment and the resources. The point is that it cannot be trusted to run services in our communities properly.

This issue came to a head in March 2022 with the intervention by my right hon. Friend the Secretary of State for Levelling Up, Housing and Communities. He made the right decision to call in the commissioners. There has been progress since, and I have been pleased recently by the engagement of my hon. Friend the Minister—he has taken a real interest in Sandwell. He is to be commended on how he has picked up this interesting brief quickly and fully, especially when there are councils like Sandwell.

It is such an indictment of 50 years of failure that we are still the eighth most deprived borough in the country. It is as if the Labour party in Sandwell takes pride in that. It takes pride in the fact that standards are dropping, and it offers no reason for that or alternatives on how to fix it. It seems to revel in it. It blows my mind how anyone in a position of authority—particularly elected authority—could do that when they have stewardship over the great communities of the Black Country. As I said in my maiden speech, these people are grafters and fighters. They deserve so much better than this shambles, yet time and again we see these people who claim to be representatives of working people—that is the biggest joke that any of us has ever heard—somehow revelling in the fact that standards are falling and things are not as they seem.

Jane Stevenson (Wolverhampton North East) (Con): My hon. Friend has a fantastic set of communities in his constituency, as I do in Wolverhampton North East. We share similar problems in the Black Country. Wolverhampton has, similarly, had 50 years of Labour administrations that like to blame Conservative Governments for their failure, but when an authority is the worst in something and every other authority is under the same Conservative Government, ultimately it is time to take responsibility.

Does my hon. Friend share my concern that although tens of millions of pounds of investment are coming into our constituencies from this caring, levelling-up Conservative Government, we are not seeing the results, and our constituents are not feeling the benefits? I secured £3 million of high street regeneration funding for Wednesfield—he knows it well and has visited it with me—but nearly three years later my Labour council has not put forward a plan on paper. I am sure that he has similar instances.

Shaun Bailey: My hon. Friend is absolutely right. She is a doughty champion for the people of Wednesfield, Bushbury and the rest of her constituency. I think she

shares the concern that it feels like there is some running down of the clock. It feels like the officers can see the clock ticking and do not want recognition to be given to anywhere else.

I will say that, particularly since new faces have appeared among the officers at Sandwell council, it seems to be more on top of this, but there is still the concern that the political leadership of these authorities see some sort of win from these things not materialising. It is absolutely crazy. As I said, half a billion pounds has been put into my borough, and yet the narrative seems to be about Tory cuts. I am sure it is the same in the great city of Wolverhampton. The narrative will be, “It's 14 years of the Tories,” but it is not; it is 50 years of Labour turning its back on these communities.

I have a solution for my hon. Friend the Minister, which was coined in the campaign that has been launched with such enthusiasm: scrap Sandwell. Sandwell is an artificial construction of the Ted Heath reforms of the 1970s, which brought together six very different towns in the Black Country. I appreciate that he will not be able to stand at the Dispatch Box today and say yes to that, much as I would be over the moon for him to do so. There is always middle ground in how we empower our communities, but the truth is that Sandwell Metropolitan Borough Council, and its political leadership in particular, has brought embarrassment to the communities I represent.

The retort that I have had, particularly from Labour politicians, has been, “Well, you're talking the area down.” No. In the campaign that we launched in October, we had thousands of responses, and 80% of them said they do not recognise themselves as coming from Sandwell. If you come from Wednesbury, you come from Wednesbury. If you are from Tipton, you are from Tipton. If you are from Ocker Hill, you are from Ocker Hill. If you are from Great Bridge, you are from Great Bridge. If you are from Smethwick, you are from Smethwick. You are not from Sandwell. What is Sandwell? Sandwell is the name of the Franciscan priory from 1,000 years ago. It is not a place—well, it is a place, but it is a constructed place.

People are proud of their towns. I am proud that I live in Wednesbury, and I am proud of that town, mentioned in the Domesday Book 1,000 years ago. That is what people want to see. Of course, the real-life impact is that my towns in Tipton and Wednesbury have missed out because Sandwell council's priorities have been in West Bromwich and Smethwick, all because the arbitrary thresholds have not been met because of the size of those towns.

Clearly, there are options to be explored, and I appreciate that we can utilise many mechanisms to ensure that the identity of these communities is respected, accentuated and brought to the fore. That is so important to my constituents. They are proud of where they come from and the heritage of their towns. They are fed up with this creation that has turned into a monster, leaving them without services.

We have had the ridiculous situation today where all the pay and display parking machines have been taken out of the car parks in Spring Head in Wednesbury. The council expects people to go online, not realising that most of the demographic who utilise that service are of an age where they are probably not digitally connected.

I talk about governance; that is the kind of lunacy and idiotic ideas that come from that rabble. Yet they sit there and lord it as if they have been hard done by.

We need proactive government in our towns, whether through an empowered town council—there are examples of that in the west midlands—or through some other format. We need something that will safeguard our identity, and a local government structure that preserves and looks after the identity of my proud towns of Tipton and Wednesbury. It is as simple as that.

I am looking forward to the Minister's visit to the Black Country, and I am sure he will visit my hon. Friend the Member for Wolverhampton North East (Jane Stevenson) on the way. Our proud Black Country towns have so much to offer. The governance at Sandwell Metropolitan Borough Council has done nothing but bring embarrassment to those towns. It is not talking down those communities to highlight that. It is not talking down the communities to highlight that a Labour party that has governed that area for 50 years has been to the detriment of people, who have seen their services cut and their opportunities eradicated. But their aspirations have not been cut, because the people I represent are aspirational. They want to achieve, but they are blocked time and again by the Labour administration.

I wish to finalise my remarks with a quotation from history, which I hope the Minister will appreciate. As I prepared my comments, I was looking for something to sum up my thoughts on the governance situation at Sandwell Metropolitan Borough Council. I am sure that those who have studied it will know where it comes from:

“But when a long train of abuses and usurpations, pursuing invariably the same Object evinces a design to reduce them under absolute Despotism, it is their right, it is their duty, to throw off such Government, and to provide new Guards for their future security.”

My hon. Friend probably knows where that comes from: the declaration of independence 1776.

The security and the safeguarding of the future of these proud towns is at the heart of what I am here to do. They have had half a century of disservice by the shambolic Labour rabble, who have done nothing but try to eradicate their life chances and leave them worse off. That should never be the case. I look forward to hearing from my hon. Friend the Minister. I am so grateful for the time and effort he has put into Sandwell. He is committed to making sure we get this right. I thank my hon. Friend the Member for Wolverhampton North East for her considered intervention. I thank the House and you, Mr Deputy Speaker, for hearing my comments. I made my constituents a promise when I was elected to this place that, after 50 years of feeling ignored, they would never be ignored again. I hope that in this speech, I have made sure that their voices are heard loud and clear.

5.18 pm

The Parliamentary Under-Secretary of State for Levelling Up, Housing and Communities (Simon Hoare): First, I thank my hon. Friend the Member for West Bromwich West (Shaun Bailey) for securing this debate. I have been in this job for nine weeks. If I had a fiver for every time he has stopped me in the Lobby or in the corridor to raise an issue or have a conversation about his borough council, it would certainly have bought him and me quite a good dinner. He never misses an opportunity,

and he is right to do so. We use the phrase “doughty champion” quite a lot to describe colleagues. He truly is one, and his constituents should be proud and pleased with the passion, concern and care with which he advocates so vociferously on their behalf, not just to me but to my right hon. Friend the Secretary of State and to Ministers across Government. He is to be warmly commended for all he does on behalf of his residents.

My hon. Friend was right to talk in the first instance about money. I will just set the scene, if I may. Sandwell's reserves stand, as of 31 March, somewhere in the region of £110.5 million. That is very good. That speaks to sensible management and ensuring that funds are available for a rainy day. The 2024-25 provisional local government finance settlement makes available £388.9 million for his council, an increase in core spending power of £25.4 million, or a 7% increase in cash terms when compared to 2023-24. I therefore share his belief that to say that all the council's problems are rooted in the heartlessness and lack of thought or attention from this Government is scotched just by those figures.

However, my hon. Friend was right to go on to talk about the other important investments that have been made in his borough by the Government: £69.5 million from the towns fund; £20.3 million from the levelling-up partnership; £20 million from the levelling-up fund round 2; £20 million from the levelling-up fund round 3; and £20 million for a capital regeneration project. Those are important figures and important projects of themselves, but when added together, nobody could suggest that this is a party and a Government who do not care for the people of Sandwell and are not seeking to do all they can, working alongside elected members be they local councillors or Members of Parliament, to help drive that figure of eighth-most deprived borough in England into a far better place. I do not think that argument stands up to challenge.

What I would say to my hon. Friend, and I know he will agree with me in this assessment, is that he was right to talk about the potential downsides—he manifested some of them in his remarks—when any one political party dominates the political scene and the landscape for a considerable period of time. I hope that what his election has demonstrated, and that of other hon. Friends representing constituencies in the area, is that we believe that levelling up is all about aspiration and ambition for all, that no part of our country is left behind, and that there is no one who does not deserve our attention, our help and our support. I am very pleased and proud to serve in a Department in this Government that has spent so much money, time and effort considering the needs of Sandwell Metropolitan Borough Council. We have a proud record on which we stand, and I am sure that many people in my hon. Friend's constituency recognise that all too well.

Before we look to the present and the future, we have to look slightly to the past. Commissioners had to go into the council because, as it recognised itself, there were serious governance issues, and problems with culture and leadership. They included allegations of serious misconduct by both councillors and officers. The council had had six different leaders in six years—that makes it feel a bit like this place, Mr Deputy Speaker—and three chief executives over the previous three years. That instability led to a breakdown in trust, respect and confidence between those holding governance roles at the council. On services, the time the authority spent

[Simon Hoare]

responding to internal allegations and complaints impacted on its ability to focus on service improvement. Inadequate procurement and contract management arrangements led to poor decision-making, and impacted negatively on key services, including transport for children and those with special educational needs.

It was those triggers that prompted my right hon. Friend the Secretary of State to send in the cavalry. He was right to do so and I know that my hon. Friend applauded my right hon. Friend for the action he took. That action has worked, and I want to pay tribute to the current leadership of Sandwell Metropolitan Borough Council. Are they getting everything right? No, but there again—I must share a secret with my hon. Friend—neither do Ministers, all the time. We are all human. To err is human; to forgive, as we know, is divine. However, significant improvements have been made, which have allowed the commissioners to continue to refer, in their published reports to the Department, to clear trajectories of improvement. That means not just improvements in the output of service to those who are most in need, but a significant step change in the way in which the council has ordered and organised itself and its approach to governance.

Sometimes admitting when one is wrong and facing the problem is the biggest challenge, and once that is overcome, the route to recovery appears clear. It is not without stumbling blocks and stones and it will not be without pauses along the way, but the council leaders have made significant progress, and as I say, they should be both congratulated and encouraged. When the position of the commissioners ceases—and we will be looking to that in due course—the Local Government Association will continue to work with the council to ensure that that path of progress, that path of improvement, which I am hopeful and confident that local residents have started to see or will soon start to see, is continued. Falling back into the old ways of performance, or lack of performance, will not be tolerated.

It will come as no surprise—and I say this not as a threat, but as a statement of fact—that as with any authority that has found itself in a position whereby commissioners have had to be sent in, progress has been made and the work of those commissioners can be drawn to a conclusion within the envisaged timetable, we will keep a weather eye, a kindly eye if you will, the

eye of a paternal godfather, on a council that is still trying to do its best. We will continue to be there to support, advise and encourage, because the depth of the change that the council needed to be made will by definition necessitate that.

My hon. Friend talked of the abolition of Sandwell council. He will not be surprised to know that I am about to repeat the dictum of the Government. We will, of course, always respond to any reorganisation of local government, but that must be from the grassroots up. Support must be demonstrated at political level and community level, from the business community and from other public service providers, and a clear case must be made. I have to say—I hope this gives some clarity to my hon. Friend, although I appreciate that it may not be the clarity he seeks, but I also hope it gives both certainty to the council and an indication to the residents, the council taxpayers and, more important, the users of its services of the improvements it has made—that I fear that a change in the architecture of the borough at this stage would prove a distraction from the vital improvement work that is ongoing.

Of course there are ways to improve scrutiny, and of course there are ways, through the localism agenda, to empower the towns, particularly those historic towns where there is a great sense of place and identity. However, I suggest to my hon. Friend that he should work with the council leadership to explore those opportunities to give a much greater sense of place to the towns with which those who live in them feel such a close affinity.

We are making a huge investment in Sandwell Metropolitan Borough Council, in monetary terms and in terms of time and energy. Why do we do this? We do it because we care, and because we understand the important role that local government plays in the fabric of our nation—the powerful role that it plays in creating a sense of place and delivering change, responding to the changing needs of the most vulnerable and those who seek to improve on the agenda of hope and aspiration for change. With my hon. Friend and other colleagues, with an engaged council that has a new and improved outlook, I have every confidence that all of us pulling together can deliver for the people of Sandwell.

Question put and agreed to.

5.29 pm

House adjourned.

Westminster Hall

Thursday 18 January 2024

[MARTIN VICKERS *in the Chair*]

BACKBENCH BUSINESS

COP10: WHO Framework Convention on Tobacco Control

1.30 pm

Andrew Lewer (Northampton South) (Con): I beg to move,

That this House has considered COP10 to the WHO Framework Convention on Tobacco Control.

It is a pleasure to serve under your chairmanship, Mr Vickers. I thank the co-sponsors of today's debate, the hon. Members for Ealing, Southall (Mr Sharma), and for Linlithgow and East Falkirk (Martyn Day). I also thank all colleagues who have requested to speak, and the Backbench Business Committee for giving this application the urgent consideration that was asked for. The fact that Members wished to contribute to this debate, and to many others on similar topics of late, demonstrates how important this issue is across our United Kingdom.

I am pleased to see my right hon. Friend the Minister in her place, and of course I welcome her back to Government. I say that with no small amount of friendly bias, as she and I are constituency neighbours in Northamptonshire and have known each other for a very long time. We look forward to hearing from her later. I also welcome the shadow Minister, the hon. Member for Bristol South (Karin Smyth); I am keen for her to share her perspective on today's proceedings. I state for the record that I have served as a vice-chair of the all-party parliamentary group for vaping.

I beg your indulgence, Mr Vickers, as I set the scene for why we are here today and outline the importance of what we are discussing. My co-sponsors and I were clear that this debate is not yet another opportunity to opine generally about smoking and vaping, or to merely rehash some of the well-known talking points that arise when we talk about these issues. Hopefully, it will not be a debate in which each side of the political divide claims to be cloaked in unique righteousness. I was pleased to have tripartite support for the debate application, and even more pleased that colleagues from a wide array of political parties, and from all four parts of the UK, have expressed a desire to speak in this and related debates.

It has been a stressful few days in Parliament. In some senses, the timing of this debate is very important, as it comes ahead of the 10th conference of the parties, but in other senses it is less fortunate, coming as it does straight after what we have been through over the past two or three days. Nevertheless, the debate is an opportunity for this mother of Parliaments to show our democracy at its best. We in the legislature can come together on a non-party basis to question the Executive and hold the Government to account. We should be conscious that many people from around the world will be watching these proceedings, given that the debate relates to international agreements and has a global perspective.

To the best of my knowledge, this debate is one of a kind. It is the only substantive discussion on next month's meeting of the framework convention on tobacco control, COP10, taking place in any parliamentary democracy. It is my hope that we can shine a light on the World Health Organisation's sometimes less than ideal proceedings.

I thank my hon. Friend the Member for Harrow East (Bob Blackman) for having secured the debate in this place on the WHO framework convention on tobacco control in March 2020. We all share a dislike, to put it mildly, of smoking. I pay tribute to the work that he and his colleagues do on the all-party parliamentary group on smoking and health to drive smoking cessation. Who in Parliament does not hate smoking? I do, and where we have differences, they are only on how best to drive it out. Since that debate nearly four years ago, we had one subsequent conference of the parties to the WHO: FCTC COP9, which took place in Geneva in November '21. Today, of course, we are discussing COP10, which will be held in Panama in just over a fortnight.

We all know the term "COP"; it has become something of a household name, thanks to the United Nations climate change conference, which concluded its COP28 meeting in the United Arab Emirates last year, and which is heralded as a beacon of openness, transparency and engagement. The UK hosted COP26 in Glasgow in November 2021, which was expertly presided over by my right hon. Friend the Member for Reading West (Sir Alok Sharma). Ministers from Governments from all over the world attend these meetings. Indeed, our own Minister for Energy Security and Net Zero, my right hon. Friend the Member for Beverley and Holderness (Graham Stuart), was so enthusiastic about COP28 that he went to it twice. The conference sessions are open to the media, to civil society and to other interested stakeholders to participate in.

What a contrast that is with the FCTC and COP10. Despite smoking being one of the leading causes of death in the UK, killing about 80,000 people every year and causing one in four cancer deaths, there is likely to be no ministerial representation from the Government in Panama. It is unfortunate that such an important area of health policy is left to officials. Unlike the climate change COP, the FCTC COP meets and takes decisions behind closed doors, away from the scrutiny of Parliament and the press. The decisions taken in Panama next month will have wide-ranging influence over the UK Government's approach to smoking cessation and the regulation of tobacco harm reduction products, which many smokers use to quit combustible tobacco.

For nearly a year, I have been asking the Department of Health and Social Care who will be in the UK's delegation to COP10 in Panama. I have been asking what positions that delegation will take, and whether we will continue to stand up for Britain's world-leading and evidence-based approach to tobacco control and smoking cessation. I know that a great many Members from across the House have made similar representations to the DHSC. Despite repeated oral and written parliamentary questions on the subject, Ministers have not yet set out the UK Government's approach to COP10 in any detail. Clearly, none of us wants our Government to be as opaque as the World Health Organisation is on this and many other issues.

My first request of the Minister is that she asks my right hon. Friend the Minister for Energy Security and Net Zero to give serious consideration to attending

[Andrew Lewer]

COP10 in Panama next month. Members may ask why that is so important. The UK is one of the largest financial contributors to the FCTC, with millions of pounds of taxpayers' money being shipped off to the WHO in recent years to support this agenda. That is whole streets-worth of residents of my constituency's total contribution to the Exchequer. Every penny of tax that street after street of them pay goes to funding the WHO. We have an obligation to our constituents to ensure that the money is well spent, so we need to know who will be standing up in Panama on their behalf, and what policy positions will be supported or opposed.

What we do know is that the WHO takes a highly sceptical view of tobacco harm reduction products, including vapes, heated tobacco and oral nicotine pouches, arguing that they pose a risk to health. As I have mentioned, that is in direct contrast to the UK's world-leading approach to tobacco control. It really is world leading, and we should be proud of what we have accomplished in recent years in driving down smoking rates and saving lives. Public Health England, which is now the Office for Health Improvement and Disparities, has been clear that vaping is at least 95% less harmful than smoking, and that heated tobacco products are considerably less harmful than conventional combusted tobacco cigarettes. That is independent, peer-reviewed evidence from a glittering array of public health experts, clinicians and scientists, not funded by players in the tobacco industry. Not only has it formed the bedrock of the UK Government's approach to smoking cessation in recent years, but our model has been heralded by public health experts in countries and universities across the world as a beacon to follow. I therefore pay tribute to the Minister's predecessor, my hon. Friend the Member for Harborough (Neil O'Brien), for the groundbreaking "swap to stop" scheme, which he announced early last year. For many of my constituents, vaping is a vital alternative that helps them to curb their smoking habits and quit, and the "swap to stop" scheme, which offers free vape starter kits to smokers, is a welcome tool in the arsenal.

When the Minister unveils her legislation later this year, we will have the opportunity to debate some of the fundamentals, including ensuring that children do not access nicotine products, and giving trading standards the enforcement powers that they need to tackle rogue traders who sell to minors or sell illegal products. However, we must not throw the baby out with the bathwater by introducing draconian measures that discourage adult smokers, whether deliberately or not, from making the switch to vaping. That is a fundamental point. Over-regulation and blanket bans are not the safe option; they could cost lives.

I agree with the Minister's remarks in the debate last week that we must clamp down on packaging with cartoon characters, and vapes shaped like toys, but I discourage the misconception that flavoured vapes are not designed for 60-year-old smokers. There is very clear research on this: in a 2003 opinion poll by OnePoll, 83% of smokers stated that flavours helped them to quit smoking, and there is a definitive and widely available study on this matter by the University of Pennsylvania. Constituents tell me that it is precisely the availability of a wide range of non-tobacco flavours that enables them to make the switch away from harmful cigarettes. I oppose the suggestion

from the hon. Member for Walthamstow (Stella Creasy) that adults are not interested in fruit-flavoured vapes. Why should adult smokers be discouraged from switching away from smoking, which will cost them their life, by a vaping market that is reduced to tobacco-only flavours that constantly remind them of smoking, and trigger their desire to smoke a cigarette?

There is also a danger that over-regulation will exacerbate the black market. In fact, as colleagues pointed out in the Westminster Hall debate on illegal vapes on Tuesday, the black market has flourished in recent years. Between 2020 and 2023, more than 2.5 million illicit vapes were seized by trading standards across 125 local authorities, and the enforcement agency warns that that is just the tip of the iceberg. Do we want to grow that iceberg, or reduce it as much as possible?

There is a tendency for us politicians to pass legislation or produce guidance from Whitehall so that we can say that we are taking robust action on an issue, without having regard to how it might be implemented. The UK already has stringent restrictions in place via the Tobacco Advertising and Promotion Act 2002, so much of the issue is really about enforcing the many existing laws, rather than a need for new ones. Speaking as a long-standing local government man—and I am still vice president of the Local Government Association—underpinning this issue is the new burdens doctrine, which this Government have signed up to and adhered to for many years. That doctrine states that all new burdens on local authorities must be fully assessed and funded. It is a cornerstone of Whitehall Departments' preparatory work before they pass responsibilities on to local authorities, and I urge the Minister and her officials to keep that broader point in mind for discussions at the conference.

The real risk is that at COP10, the WHO will, as is expected, call for regulatory equivalence for tobacco harm reduction products, so that they are treated in exactly the same way as combustible tobacco products. That is not only counter to the UK Government's position; if successful, it will significantly harm public health goals, not just in this country but across the world. Some countries have already banned vapes but not cigarettes, and that will cost huge numbers of their citizens' lives.

Additionally, why bother to "swap to stop" at all if cigarettes and vapes are taxed in the same way and there is no price differential or flavour incentive to quit? That said, I am conscious that the Minister is still compiling her response to the recent consultation on smoking and vaping ahead of new legislation, which we await with interest.

There is one occasionally repeated fallacy that must be nailed and not repeated, given its harmful potential. It is not nicotine that causes lung cancer, and nor does nicotine itself kill its long-term users; rather, it is the constituent chemicals inherent in the combustion of tobacco within cigarettes that causes harm. Nicotine vapes, oral nicotine pouches, and indeed heated tobacco products—which are sometimes known as "heat not burn", given that there is no combustion involved—are all essential in giving adult smokers a range of solutions for their smoking cessation journey. For the avoidance of doubt, I quote Cancer Research UK, which says that nicotine

"is not responsible for the harmful effects of smoking, and nicotine does not cause cancer."

Tackling misinformation is at the heart of this debate, as we consider some of the measures that the WHO is proposing to enact at next month's COP10 meeting, and the harmful effects they will have on public policy here at home.

As ever, the devil is in the detail, so I ask colleagues to forgive me if I take a few minutes to speak to some of the specific policies under consideration in Panama, and why the UK delegation must stand firm against them. The words of the Chief Medical Officer for England are ringing in my ears:

"If you smoke, vaping is much safer; if you don't smoke, don't vape".

We need to consider how our public health bodies can effectively communicate that to adults who currently smoke.

One of the most worrisome proposals being put forward by the WHO is item 6.2 on the agenda, which covers tobacco advertising, promotion and sponsorship. It is widely understood that the WHO will push for an expansion of article 13 of the FCTC to include reduced-risk products—vapes, "heat not burn", and oral nicotine pouches—within the restrictions on advertising, as if they were the same as combustible tobacco, when, as I hope I have already illustrated, they are not.

Like everyone else in this room—I cannot stress the importance of this enough—we have to ensure that children are not targeted by nicotine products, but successful uptake by adult smokers of these reduced-risk products as part of the UK Government's strategy of tobacco harm reduction relies on the ability of responsible manufacturers and retailers to provide important and accurate information about the products' health benefits when set against traditional combustible cigarettes. There are still 6.4 million smokers in the UK, and they are our constituents, our neighbours, our families, and—I am very sorry to say—for many of us, our friends.

Misinformation on this issue is not only dangerous; it is lethal. The best must not be the enemy of the good. The extent of misinformation is such that, according to Action on Smoking and Health, four in 10 smokers believe that vaping is as harmful or more harmful than smoking. That figure increased by a third last year. A recent YouGov poll also found that over 50% of people thought that vaping was more harmful or as harmful as smoking. Whenever there is an online newspaper article about this subject, to which I have obviously been paying particular attention in the last week or so, I am amazed by the extreme, contradictory and occasionally potentially dangerous views expressed.

The proposals under discussion at COP10 would limit the ability to tackle misinformation on relative harms, while simultaneously restricting the promotion of reduced-risk products to adult smokers. As I alluded to earlier, the UK delegation must challenge any attempt to bring about regulatory equivalence between combustible tobacco and reduced-risk products—in particular "heat not burn" products, which the Office for Health Improvement and Disparities has made clear are substantially less harmful than smoking.

There is a risk through item 6.3 on COP10's agenda that the WHO will seek to do just that: to push Governments around the world to regulate vapes and other reduced-risk products in the same way as combustible cigarettes, leading to the concern that that could extend

to proposals on taxation and price points. If the WHO is successful, any financial incentive to switch away from cigarettes will be removed. That point has been made by many colleagues on many occasions, and I know from our work together on the APPG for vaping that the hon. Member for North Tyneside (Mary Glindon)—my colleague and co-author of an article on the issue—has spoken passionately about it and her own personal experiences. Such measures would send the wrong message, and would only perpetuate the dangerous myth, believed by 40% of smokers, that vaping is as harmful as smoking, and would therefore obviously discourage them from switching in the first place.

Will the Minister undertake to confirm that the UK delegation will block any measures to restrict the ability to effectively communicate with adult smokers on the health benefits of switching away from combustible cigarettes? Will the UK delegation oppose any move towards regulatory equivalence, including on taxation and price points?

I am conscious that other colleagues wish to speak. Thank you, Mr Vickers, for indulging me in setting the scene more generally and outlining some of the concerns as the Government head into COP10.

Sir Christopher Chope (Christchurch) (Con): My hon. Friend is making a brilliant speech, and I am grateful to him. Can he explain why we would be required to follow any recommendations that come out of COP10? As a sovereign country, surely we would be able to decide whether we wished to accept the recommendations.

Andrew Lewer: I will develop my hon. Friend's point in my closing remark.

If the UK delegation attends COP10 and goes along with international agreements, even if they are not legally binding, there will be a mood music and atmosphere, as we have heard in recent days, that because we are a signatory and have agreed to go along with them, we therefore need to follow along. My hon. Friend the Member for Christchurch (Sir Christopher Chope), possibly more than anyone else, has been robust about the limitations of international bodies with respect to this Parliament and this country. However, as we discovered this week, their prevailing influence is great, and not standing up to proposals at such events therefore leads inexorably to their proposals being absorbed into British policy and lawmaking.

It would be hugely beneficial if the Minister attended COP10 in Panama and flew the flag for our world-leading public health strategies for smoking cessation. She is someone who passionately championed, when she stood astride that Wembley stage back in 2016, Britain's great future as an independent, free-trading and outward-looking nation, having taken back control of our laws, borders and money. I do not believe for one moment that she wishes to see responsibility for our public health policy abrogated to another supernatural—sorry, supernational: a Freudian moment there—unelected body of bureaucrats. To assist in setting out the UK position, perhaps my hon. Friend the Member for Winchester (Steve Brine), in his capacity as Chair of the Health and Social Care Committee, might have the UK delegation appear before him and his colleagues to answer questions before COP10 gets away on 5 February, as well as afterwards.

[Andrew Lewer]

Our constituents, many of whom have written to us about this in recent days, have the right to know what the UK delegation will or will not be doing on their behalf, let alone who is in it. I am sure that I speak for many Members when I say that we would welcome clarity on that point. I am grateful to the Minister for coming to respond to the debate. I am sure that she will use the opportunity to provide us with some of the answers we seek, and will undertake to keep the House and colleagues fully informed. I hope she will make a statement from the Dispatch Box at her earliest convenience after the conclusion of COP10 to update us on the outcomes from Panama.

I look forward to the contributions of colleagues from all parts of the House, and to the response from the shadow Minister, the SNP, and the Minister, who I know shares my passion for ensuring that our Parliament retains its status as the sovereign decision-making body.

1.55 pm

Mr Virendra Sharma (Ealing, Southall) (Lab): It is a pleasure to serve under your chairmanship, Mr Vickers. I am grateful to the Backbench Business Committee for granting this debate on international tobacco control, and to the hon. Member for Northampton South (Andrew Lewer) for securing it.

In a mere few years, in this country at least, we have paved the way for our children and grandchildren to live healthier, fitter and longer lives. As a result of the hard work of doctors, nurses, charities, researchers and activists, we are on the edge of creating a future free from the shackles of smoking. Around the world, this pattern is being repeated, and along with many, I welcome global co-operation on ending smoking. The World Health Organisation's framework convention on tobacco control will be discussed at the 10th conference of the parties, COP10, between 5 and 10 February in Panama. That is a great step towards our goal.

COP10 will present amazing opportunities, but also grave challenges. In the UK, we are clear that there is no silver bullet in the fight against smoking. Any strategy must accommodate an integrated approach—an approach that understands that targeted social support works with Government regulation, and that combines powerful new tools to help smokers quit with measures to prevent our young people from ever beginning this terrible habit.

Stopping people smoking is not cheap. After years of calls for a smoke-free future, only 67% of local authorities have enough funding to provide targeted specialist services. The evidence shows that without such services, people have low motivation to quit, and are more likely to relapse if they try to. That means that deprived areas, in which we should be most active with our efforts, are being left behind in the fight against smoking. It is no surprise that when we reduce funding for targeted social support, the siren call proves stronger than our critical messaging. We cannot afford to wait and treat only the symptoms; we have to treat the cause.

As things stand, we will miss our own targets. Without further action to encourage people to never start smoking in the first place, Britain will miss its Smokefree 2030 targets by seven years, with the poorest areas missing the target by at least 14. Modelling is clear, and is a

lesson for countries around the world: the poorest areas will be the first to miss out. My concern is that the WHO and the FCTC are getting this wrong; they are putting the cart before the horse, and pretending that “abstinence only” works.

There is a strong link between illegal sales and under-age smoking, so tackling the problem at its source is by far the best approach. In the UK, we have missed opportunities to do that. I see it in my own constituency; illegal and counterfeit tobacco products are under-policed. Communities need a strengthened trading standards, able to impose the fines that His Majesty's Revenue and Customs can. That was a missed opportunity in the middle of last year. Trading standards can only pass evidence to HMRC. The lack of action provides a safe harbour for criminal gangs and organised crime to generate cash.

In every country, we also need to tackle the alarming growth in vaping among children. Undoubtedly, the introduction of vaping products has dramatically improved people's chances of quitting smoking, but the appeal of these products to children is concerning. We need action to ban children-centred advertising, branding and flavours, alongside strict legal penalties for those who sell to children.

Vaping works for many, and COP10 should not seek to make it harder for smokers to move into vaping. Any vaping rather than smoking is less harmful. Abstinence alone does not work. Not everyone who takes up vaping will give up smoking, and ASH estimates that 35% of vapers still smoke alongside vaping, so we need a solution to move those unsated by vaping.

Heat-not-burn products heat tobacco rather than burn it and are therefore a less harmful alternative to cigarettes. They mimic the experience of smoking much more closely than vapes, making the transition away from cigarettes easier for adult smokers. However, studies show that they are less attractive than vapes to younger people who have never smoked.

I want the UK to stand up at COP10 for a harm reduction approach that encourages every small step to help people move away from smoking, reducing prevalence at every level. It is in our diverse communities, such as my constituency, that the reduction has slowed the most, and the messaging and tools available are not working. When I was a councillor in the London Borough of Ealing, I chaired the scrutiny committee on ceasing smoking and bringing in related resources through the NHS and other services. That was in 2003 and 2004, and we are still talking about how the situation should be improved.

In Panama, I want to hear the Minister using their power and the UK's authority to stand up for solutions that work. I want the Government to stand by these arguments. NHS policy papers, the Khan review and ASH show that allowing people to make smaller changes leads to longer-term change. If we use our position as one of the FCTC's largest financial contributors, our voice should be heard. I urge the Government to lead, and the Minister for Primary Care and Public Health to join COP10 as part of our delegation.

Yes, we have made great steps towards our shared goals, but we risk it all as we approach the final hurdles. Now is not the time to diminish our resolve in the fight against smoking. To meet our bold commitments, we must use every weapon in our arsenal. Every less harmful product should be on the table. We must improve funding

for specialist services, recognise the harm the industry does to our communities and tackle the illegal tobacco trade. We want COP10 to work, but it needs leadership based on evidence-led policy. Abstinence on its own does not work. A strategy is needed that can dispel smoking's dark cloud, leaving a brighter, cleaner and healthier future for our children.

2.5 pm

Mr David Jones (Clwyd West) (Con): May I say what a pleasure it is to serve under your chairmanship, Mr Vickers? I congratulate my hon. Friend the Member for Northampton South (Andrew Lewer) and the hon. Members for Ealing, Southall (Mr Sharma) and for Linlithgow and East Falkirk (Martyn Day) for securing the debate, and I thank the Backbench Business Committee for facilitating it. At the outset, I declare an interest as an honorary life governor of Cancer Research UK.

I agree entirely with my hon. Friend the Member for Northampton South that the stance the UK adopts at COP10 next month will be crucial to the future of tobacco harm reduction in this country. To their great credit, the Government have pursued a distinctive and very successful UK-made policy on smoking that has significantly reduced its prevalence in this country. Nevertheless, as we heard from my hon. Friend, 6.4 million people still smoke—around 12.9% of the UK's adult population.

To help reduce smoking rates, the UK is taking a world-leading approach, supporting the principle of tobacco harm reduction. In particular, the UK takes the view that vapes can have an important role in reducing the prevalence of cigarette smoking. The Government have allowed vaping to develop on a market basis, and that has gradually taken 1.5 million people off smoking altogether.

As we have heard, the smoke produced by combustible tobacco represents the greatest threat to the health of smokers. The UK has therefore been keen to point smokers to alternatives to combustible cigarettes. As we heard from my hon. Friend, in April the Department of Health and Social Care announced that a pioneering “swap to stop” strategy would be rolled out across England, providing a million smokers with a vape starter kit, alongside behavioural support to help them quit. That approach has a history of success. The largest such programme to date was conducted in Salford in 2018, and it resulted in over 60% of participants being smoke-free after just four weeks.

While no one route can be said to be the only one to help smokers to quit, the fact is that, for many, vaping does work. I repeat the quote my hon. Friend mentioned from the chief medical officer for England, who said:

“If you smoke, vaping is much safer”.

However, he went on to say:

“if you don't smoke, don't vape.”

The 2022 Khan review made it clear that the Government should

“embrace the promotion of vaping as an effective tool to help people to quit smoking tobacco.”

However, one solution does not suit all smokers. It is important that the Government, and indeed the devolved Administrations, which have responsibility for healthcare in their areas, keep as many options open as possible to have the highest chance of success in reaching smoke-free

status by 2030. That is the Government's highly commendable ambition, and it must not be thwarted by the likely stance of the World Health Organisation in Panama.

The WHO opposes reduced-risk products, including vapes, heated tobacco and oral nicotine pouches, arguing that there is insufficient data to understand their effects. The WHO, to be entirely blunt, is being stubbornly backward. It does not accept any harm-reduction approach to smoking. It does not accept that smokers switching to vapes is a better choice. It does not accept British scientific consensus—for example, the Public Health England report stating:

“While vaping may not be 100% safe, most of the chemicals causing smoking-related disease are absent and the chemicals that are present pose limited danger”

and that

“best estimates show e-cigarettes are 95% less harmful to your health than normal cigarettes”.

The WHO's stance, therefore, runs counter to the UK Government's successful, evidence-based approach to tobacco harm reduction through the use of reduced-risk products to help to cut smoking rates. We must remember that the United Kingdom is one of the largest financial contributors to the FCTC, and the Government should not be afraid to remind the WHO of that. British taxpayers have in recent years provided millions of pounds to support WHO policies that are contrary to those operated by the United Kingdom.

The WHO's approach is that nicotine products pose a risk to health and that the safest approach is not to use them at all. Well, of course—that is self-evidently the case. Non-smokers should never start using nicotine, but it is counterproductive to prevent adult smokers from accessing reduced-risk products in a world in which 1.1 billion people still smoke. That makes no sense at all.

As my hon. Friend the Member for Northampton South said, some of the proposals in the provisional agenda for COP10, published on its website, are a serious cause for concern. For example, item 6.2 aims to impose the same restrictions on the advertisement, promotion and sponsorship of reduced-risk products as on conventional tobacco products. That would limit the ability of the UK Government, the devolved Administrations and public health bodies to promote to adult smokers less harmful alternatives as part of a smoking cessation strategy. It should be noted that, in contrast, Sweden is set to become the world's first smoke-free country, after seeing substantial reductions in smoking rates through the use of a wide range of reduced-risk products.

Item 6.3 on the agenda threatens to establish regulatory equivalence between combustible tobacco and reduced-risk products. That sends a dangerous, misinformed message that reduced-risk products are as harmful as, or more harmful than, combustible cigarettes.

Sir Christopher Chope: Is that not exactly what has happened in China? China is regulating vapes in the same way as tobacco, and we know that the WHO is controlled by Chinese interests. Should that not make us really alarmed?

Mr Jones: Yes, it certainly should, and it is another reason why the United Kingdom, which has significant influence within the WHO, should actually exert that influence, and I propose to discuss that a little later in this speech.

[Mr David Jones]

Misinformation about vaping is already an important and worrying issue. According to Action on Smoking and Health, four in 10 smokers in the UK now believe that vaping is as risky as, or riskier than, smoking. That is the consequence of the misinformation, and the WHO's position simply compounds the misinformation.

In the teeth of this hostility on the part of the WHO, the Government should confirm what policy positions the UK delegation to COP10 will take, especially on the agenda items that I just mentioned. I hope my right hon. Friend the Minister, in her winding-up speech, will be able to assure us that the Government will challenge the WHO on the science head-on. Will she say, as my hon. Friend the Member for Northampton South has asked, whether a Minister will attend COP? I believe that a Minister should be there—I think she should take a slow boat to Panama. We need ministerial involvement at this conference. Will my right hon. Friend also say what policy positions she will be instructing officials to take, and will she undertake to provide a further statement to the House on the key outcomes—particularly where there may be an impact on health policy and smoking cessation strategies—after the closure of the conference? Critically, will she confirm that the UK delegation will oppose, and if necessary veto, any proposals that would impact on the UK's world-leading and evidence-based approach to tobacco control through the successful use of reduced-risk products?

I repeat that we are a major funder of this organisation. If we are to meet our goal of being smoke-free by 2030, the Government, working with devolved Administrations, must ensure that adult smokers are provided with a wide range of reduced-risk products to help them to quit, such as vapes, including single-use vapes; heat-not-burn and heated tobacco products; and oral nicotine pouches. Different solutions will work better for different people. Japan, with heated tobacco, and Sweden, with snus, the organic form of nicotine pouches, have had even more success in reducing smoking than the UK, so vapes should not be the only solution. Indeed, these products have been even more successful in their home markets than vapes have been here. We should be learning from other countries' experiences.

At this COP, there will be an attempt on the part of the WHO to create a global norm of treating harm reduction products, including vapes and heated tobacco, exactly like combustible cigarettes, as if they were equally dangerous, including by raising their excise duties to the same level. That would be a colossal disincentive to any smoker who might consider switching to a less dangerous choice. I hope my right hon. Friend the Minister can confirm that the UK will stand against what would be a reactionary and profoundly dangerous error.

The WHO should not be allowed to undermine the UK's evidence-based and science-led approach to tobacco harm reduction. The UK's successful use of vapes to reduce smoking rates is rightly seen as a model of success around the world. The UK delegation at COP10 must do all it can to oppose measures that may threaten that.

2.17 pm

Sir Christopher Chope (Christchurch) (Con): It is a pleasure to serve under your chairmanship, Mr Vickers. I had not expected to speak in this debate, but I think it

is worth re-emphasising the point that the WHO is controlled by China in very dubious circumstances. The chairman and director general of the WHO were appointed under Chinese influence. We have debated several times in Westminster Hall the influence of China when it comes to other areas of activity with the World Health Organisation. Here we have a specific example of how Chinese leadership is trying to persuade this WHO body to introduce the same policies and regulations that it has already introduced in China.

We should be the world leaders in this. We should be out there explaining why tobacco harm reduction products are really well suited to the consumer and the battle against the harms caused by smoking, but we do not seem to be in a leadership role. I urge my right hon. Friend the Minister to show that leadership by leading the UK delegation in Panama. Otherwise it will seem as though we are diffident. There is even a danger that what we believe in this country and the pioneering work that has been done, to which reference has already been made, will count for nothing when it comes to the debates in Panama.

We know the extent of Chinese influence across the world. The next stage may well be that what is advisory for this WHO body will become mandatory. That is the Chinese agenda. They are trying to take over these international bodies and get their way. What should we be doing? We should be fighting back robustly. We should not be naive about this. I fear that we are far too diffident.

I am disappointed that despite the number of constituents who have written to me and on whose behalf I have written to the Government, we have still not had clear answers about exactly what our position will be when the discussion takes place in February. My right hon. Friend the Minister has always been a champion of national sovereignty, but I urge her to demonstrate that by leading the way and telling the Whips that we can manage without her for a few days, while she raises the flag in Panama on behalf of the United Kingdom and all we are doing to improve our public health and reduce the harm that comes from smoking.

2.20 pm

Martyn Day (Linlithgow and East Falkirk) (SNP): It is a pleasure to serve under your chairmanship, Mr Vickers. I am grateful to my cross-party colleagues, the hon. Members for Northampton South (Andrew Lewer) and for Ealing, Southall (Mr Sharma), for securing this debate. I should put it on the record that although I was an initial sponsor of the debate, I removed my name in order to sum up for the SNP. I agree with a lot of the points that my colleagues made; I take a different view on some of them, but one thing we are united in is our desire to know what the Government's position will be at COP10.

Health is a devolved matter to the Scottish Parliament. Smoking is a significant public health issue in Scotland and a leading cause of preventable ill health, premature death and disability. However, international treaties, including those with World Health Organisation involvement, are reserved issues determined by this Parliament. Personally, I wish that it were otherwise and that Scotland could determine all matters for itself, but until then we need Ministers here to tell us what they are doing on our behalf.

Today's debate is very timely, because the 10th session of the conference of the parties to the World Health Organisation framework convention on tobacco control, COP10, will take place from 5 to 10 February in Panama, having been postponed from November. I look forward to hearing the view that UK Ministers will be taking on our behalf when those decisions take place.

The framework convention on tobacco control is the first treaty negotiated under the auspices of the World Health Organisation. It came into force on 27 February 2005 and was one of the quickest-ratified treaties in UN history. It was developed in response to the globalisation of the tobacco epidemic. It is a supranational agreement that seeks to protect present and future generations from the devastating health, social, environmental and economic consequences of tobacco consumption and exposure to tobacco smoke by enacting a set of universal standards stating the dangers of tobacco and limiting its use in all forms worldwide. I support those aims. The treaty's provisions include rules that govern the production, sale, distribution, advertisement and taxation of tobacco. Importantly, FCTC standards are minimum requirements; signatories are encouraged to be even more stringent in their regulation of tobacco than the treaty requires.

Evidence suggests that the FCTC has been very effective where it has been implemented. It is significantly associated with lower smoking prevalence and consequently with an anticipated future reduction in tobacco-related mortality. Smoking declined much faster among children and adults after the UK became a party to the FCTC in 2005. It is worth pointing out that that was some time before e-cigarettes, which are the subject of a major debate in this country, took off. We should therefore endeavour to build on those standards and go further in tackling tobacco and smoking abuse.

Different countries take different approaches. Under the Australian model, e-cigarettes are available only on prescription. We need to take appropriate action to address our own smoking cessation objectives. The Scottish Government have ambitious targets to reduce smoking rates to less than 5% of the adult population by 2034, with the aim of creating a generation of young people who do not want to smoke, with all the health and economic benefits that follow. I cannot pretend to be a young person, and I have never smoked and never understood the desire to do so, but I have many friends who did so and went through great difficulties in stopping. Some have managed to stop, some have relapsed and some have used e-cigarettes to assist them.

Scotland was the first UK nation to commit to consulting on a proposed ban on single-use vapes and other measures. I am pleased to see the consensus that has formed on the need for prompt action, and I welcome the publication of the four nations consultation on smoking and vaping, which aligns with the Scottish National party-led Scottish Government's goals for smoking cessation and tackling the environmental impact of single-use vapes. Scotland was littered last year by at least 2.7 million single-use vapes. We know that about half a million of our population were using vapes, some of them correctly. Worryingly, though, 22% of our under-18s had tried vaping, so there is a real danger of it being a gateway drug. I am concerned about that. Vaping remains one possible smoking cessation method, but it must not be a lifestyle accessory, and vapes should not be used by children, our young people or non-smokers.

I would be grateful for confirmation from the Minister that the UK delegation to COP10 will not agree to any measures that would restrict Scotland's options to deliver its tobacco action plan or the recently published tobacco and vaping framework. I end with a question to the Minister: what discussions have taken place with colleagues in the devolved nations in advance of COP10?

2.26 pm

Karin Smyth (Bristol South) (Lab): It is a pleasure to serve under your chairmanship this afternoon, Mr Vickers. I understand that this is the third debate this week about tobacco and vaping, so the subject is getting a good airing. I confess that I was not expecting to have a debate about sovereignty and taking back control this Thursday when talking about smoking, but one always has to be prepared to be taken back, as the Minister says. Like colleagues, I thank the hon. Member for Northampton South (Andrew Lewer) for securing this debate, and I thank the right hon. Member for Clwyd West (Mr Jones), my hon. Friend the Member for Ealing, Southall (Mr Sharma) and the hon. Member for Christchurch (Sir Christopher Chope) for their contributions and the work they do in this area.

As we have heard, the convention on tobacco control was adopted in 2003 and came into force in 2005. It has since become one of the most rapidly and widely embraced treaties in UN history. It was developed in response to the globalisation of the tobacco epidemic, and a quick glance at the statistics tells us why. Tobacco kills up to half its long-term users. It is responsible globally for an estimated 8 million deaths per year, 1.2 million of which are of non-smokers exposed to second-hand smoke, yet the global market is still worth more than £800 billion a year. Tobacco remains the largest cause of health inequalities, accounting for as much as half the difference in amenable mortality between the most and least deprived communities in the country.

My hon. Friend the Member for Ealing, Southall highlighted the work that he has done, particularly on reducing smoking among minority and ethnic communities. In my constituency, the tobacco industry has historically employed many thousands of people and there is a long legacy of tobacco, which can be seen in the higher rates of chronic obstructive pulmonary disease and other smoking-related conditions in Bristol South. Tobacco costs the taxpayer tens of billions every year, putting increased pressure on the NHS and care system, as well as contributing to the productivity crisis through lost earnings, unemployment and, sadly, early deaths.

That is why the Labour party is committed to building a smoke-free future. It is why we have said that we will support the Government's measures to raise the legal smoking age by a year every year, so that a 14-year-old today will never legally be able to buy a pack of cigarettes. It is also why we would make sure that all hospital trusts integrate opt-out smoking interventions into routine care, so that every interaction with the NHS encourages quitting. Unlike the hon. Member for Linlithgow and East Falkirk (Martyn Day), I am a former smoker who did have to quit. I pay tribute to the people who do it: it is a very hard thing to do.

This is a global issue, which is why we have to tackle it globally. We have seen the tactics of the tobacco industry over many years. Hugely profitable multinational companies will use their muscle in individual states—we have seen

[Karin Smyth]

in Uruguay, Vietnam and elsewhere how they will behave—so working together seems to be the way forward. The establishment of the WHO framework two decades ago is an important milestone in tackling a public health hazard. It encourages parties to implement common-sense policies that have strong public support, such as protecting public health policies from commercial and vested interests; protecting people from secondary smoke; and bans on advertising and on so on. Those have been developed over many decades.

As we have heard, the next conference of the parties will be the 10th since the convention entered into force and will take place in Panama. Agenda items up for discussion will be articles 9 and 10 of the convention, on the regulation of the contents and disclosure of tobacco products, which is addressed by the UK's Tobacco and Related Products Regulations 2016. We all seem very keen to send the Minister to Panama—the right hon. Member for Clwyd West suggested a boat, which would take her some length of time—so we are all interested in whether she is going, and, more specifically, how she will be instructing the UK delegation to approach these really important discussions.

Does the Minister have any plans to bring other nicotine products, such as nicotine pouches, into the regulatory process as part of the Government's forthcoming legislation? Many colleagues will have received letters from constituents about e-cigarettes and vaping, which will be discussed at COP10. We hear what they are saying. E-cigarettes are an important tool for stopping smoking. Evidence indicates that they are less harmful than cigarettes, and that their use shows a positive association with quitting smoking, as we have heard so eloquently from colleagues today—something we would support. Particularly in this month, January, many smokers are grappling with their new year's resolutions, and we fully support them in that journey however we can. We must acknowledge, however, that vaping is not risk free, particularly for people who have never smoked, and that there is a lack of evidence on the long-term health impacts.

As we have said many times in this House, we are particularly concerned about the rise in youth vaping. In just the past two years, the number of children aged 11 to 17 who vape regularly has more than trebled. Over 140,000 more children have taken up vaping since the Government voted down Labour's proposed measures in 2021 to crack down on companies that brand and advertise vapes to appeal to kids. We want tougher regulation of those products and for a strong message to be sent to those companies trying to make a profit at the expense of our children's health. I hope that Ministers, via their role in the WHO, will push harder for stronger and clearer messages, based on the latest data and evidence, and seek to regulate this market in a way that promotes quality and safety and, crucially, that protects young people.

Will the Minister use the forthcoming tobacco and vapes Bill to close loopholes that allow nicotine-free vapes to be sold to under-18s, and free samples of even addictive nicotine products to be given to children? Is she considering strengthening the powers of the regulator, the Medicines and Healthcare products Regulatory Agency, to deal with the number of illegal vaping products circulating on the UK market today? She is welcome to

our policy—will she back our proposal to ban companies from branding and advertising vaping products in a way that is appealing to children?

Just as the last Labour Government led the way on tobacco control, so will the next, with a road map to a smoke-free Britain. We want to make sure that hospital trusts integrate opt-out smoking cessation interventions into routine care, making every clinical consultation count. We will legislate to require tobacco companies to include information in tobacco products that dispels the myth that smoking reduces stress and anxiety, and tackle the rapid rise in youth vaping, on which the Government have failed to act so far. To tackle health inequalities and rescue the NHS from 14 years of decline, we need bold measures to tackle smoking and improve public health.

Mr David Jones: Could the hon. Lady say what measures she proposes to put in place to tackle the issue of youth vaping?

Karin Smyth: I am sure the right hon. Gentleman took great notice of the Labour party conference, where we announced a ban on targeting, and advertising and marketing to, young people. We think that where there is a will, there is a way. The ban on smoking, which I remember very well from when I was part of an NHS trust, was an incredibly difficult thing to do and enforce. But when the Government make clear that the targeting of young people is completely unacceptable, the market will react. We want to work with companies to make sure that happens. That is our plan for doing that and for getting the NHS back on its feet and making it fit for the future.

2.34 pm

The Parliamentary Under-Secretary of State for Health and Social Care (Dame Andrea Leadsom): It is a real pleasure to serve under your chairmanship today, Mr Vickers. I thank all colleagues who have taken part in this Backbench debate, especially my hon. Friend the Member for Northampton South (Andrew Lewer) for his leadership in organising it. It has been very interesting, and I can absolutely assure colleagues that I have learned some new things myself today.

To tackle the very first question, I do not intend to go to Panama for COP10. That is because I am preparing flat out for our smoke-free generation Bill, including the response to the consultation and the measures. I just do not think it would be a good use of my time to travel on 5 February. However, the Government will be represented by our excellent colleague from the civil service, Dr Jeanelle de Gruchy, who has done fantastic work representing the UK's position.

I will give a rough overview of the UK's position. There will be discussion about global progress on tobacco control. Of course, the UK is an outlier on the topic of vapes, and we will be putting forward our position that vapes are a very important tool for helping adults to quit. There will be some discussion on advertising and sponsorship. The UK has no plans to implement further restrictions on advertising and sponsorship, particularly in the COP's desire to see further restrictions implemented. On novel and emerging tobacco products, different parties take different approaches. At the moment, the UK is still looking at issues around heated tobacco, so the UK delegation will be in listening mode. In terms of

parties going further on tobacco control, certainly the UK Government would welcome other parties going further to protect people, but we will be monitoring the negotiations to ensure that nothing becomes mandatory. Finally, there will be discussions on whether there should be an increase in assessed contributions. The UK intends to press for contributions to stay where they are now. I am very happy to provide a statement to the House after COP10, giving feedback on exactly what happened. I think that covers a lot of the issues raised by colleagues. I hope that was clear, and I would like to again thank everyone for attending.

As has been pointed out, the framework convention on tobacco control was the first treaty negotiated through the World Health Organisation. However, as colleagues will appreciate, I am not one to get misty-eyed about international conventions, or indeed international regulatory frameworks. I am not terribly romantically attached to this, and I feel that the UK's sovereignty is actually the most important aspect. My priority as the Minister will be to help us in the UK protect our citizens from harm. Is there not a song that goes, "I did it my way"? The UK has a world-leading approach to reducing harms from tobacco and nicotine, and we will continue to do that.

The conference of the parties has, however, been a helpful way of keeping strong tobacco controls at the top of the global health agenda. It is also, as I hope I have just illustrated, a very useful forum for sharing best practice. All papers are presented and all decisions made are published online via the dedicated COP10 website. The UK remains committed to the convention, because we are a world leader in tobacco control. Like many friends around the world, we want to see a tobacco-free future. Next month's conference will be a fantastic opportunity for us to showcase the UK's strength, being at the cutting edge of a smoke-free generation. As I have said, our deputy chief medical officer, Dr Jeanelle de Gruchy, is the chief delegate. I have every confidence that our team will encourage other countries to follow in our example.

Now, my hon. Friend the Member for Northampton South is a big fan of common sense, and so am I. I want to reassure everybody that our delegation will be bound by common sense, and not by conference decisions that run contrary to common sense, or indeed to decisions that run counter to our national interest. That includes the decisions we take in helping smokers to quit through quit aids such as vapes and nicotine replacement products. We are a sovereign nation, and it is not within the WHO's remit to intervene in our internal affairs.

Last week, I was given a couple of opportunities to update the House on our progress towards a smoke-free generation. With permission, I would like to reiterate a few of the points I made then. Our new tobacco and vapes Bill will save lives. Unlike other consumer products, there is no safe level of smoking: it is a product that kills up to two thirds of its long-term users, causes 70% of lung cancer cases, and massively increases the risk of stillbirth. It causes asthma in children; dementia, stroke and heart failure in old age; disability and early death. Almost every minute of every day, someone is admitted to hospital because of smoking, and up to 75,000 GP appointments every month can be attributed to smoking. It takes a massive toll on both our health and our NHS.

Smoking also takes its toll on our economy. Detractors will say, "But what about the £10 billion a year the Treasury gets from taxes on tobacco—how will the Chancellor do without that?" But independent analysis shows that the overall cost of tobacco to society totals £17 billion a year, completely offsetting—and then some—whatever we receive in taxes. The cost of smoking is equivalent to the annual salaries of more than half a million nurses, almost 400,000 GPs, 400,000 police officers or 400 million GP appointments. Reducing smoking rates will bring down those costs and help our economy to become more productive. Our modelling suggests that the smoke-free generation policy we are looking to introduce will reduce smoking rates in England among 14 to 30-year-olds to close to zero by as early as 2040, and will provide cumulative productivity benefits of up to a staggering £85 billion over the next 50 years. That is why bold action is necessary. We are making history with this Bill.

I took up smoking at 14 and gave it up as my 21st birthday present to myself. It was not easy. To this day, I hate talking about smoking because I sometimes think, "I'd quite like a cigarette", but I shall never be tempted. It is so hard to quit. To those hon. Members who mentioned that nicotine is not bad in itself—yes, it is; it is desperately addictive. When people try to give up nicotine, they suffer cravings and get irritable. It is really difficult to give up nicotine, no matter how it is consumed. Combustible tobacco certainly has all sorts of other horrendous health issues, but nicotine itself is not a harmless product by any means. There is no safe level of nicotine consumption.

Like so many smokers, I desperately wanted to give up this lethal addiction. We want to help more smokers than ever to quit through significant new funding and support. All smokers deserve our support to quit and lead a healthier, longer life, which is why we have announced we are doubling the funding to stop smoking services across England to a total of £138 million a year, to help around 360,000 people quit every year. We are also backing these efforts with substantial new money to support marketing campaigns. As my right hon. Friend the Member for Clwyd West (Mr Jones) and my hon. Friend the Member for Northampton South both pointed out, four in 10 smokers think vaping is as bad as, if not worse than, smoking cigarettes. With this substantial marketing support, the stop smoking campaigns will be common sense and easy to use, setting out the facts to help smokers to be able to quit. We will also provide vapes as a quit aid to those who want to stop smoking.

As colleagues will know, I am passionate about helping mums, mums-to-be and new families, which is why I have asked officials to redouble our efforts to tackle smoking in pregnancy. Women who smoke during pregnancy are two and a half times more likely to give birth prematurely. Smoking is also a significant driver of stillbirth. I want to do everything I can to spare parents the heartbreaking tragedy of losing a baby. One in 10 mothers smokes at the time of delivery; this figure rises to one in five in some parts of the country. Pregnant women who receive financial incentives are twice as likely to successfully quit in pregnancy as those who do not. We must also protect pregnant women and their babies from second-hand smoke. We are working to roll out a financial incentive scheme by the end of 2024 to help all pregnant smokers—and, crucially, their partners—to quit.

[*Dame Andrea Leadsom*]

As I have said, vapes can be an effective tool to help smokers quit. That is why we have committed to providing 1 million vapes to smokers through our “swap to stop” programme. That is a different approach from that taken in the WHO proposals; we are proud to take it, because we know it works.

Along with millions of parents across the country, I am alarmed by the number of children using vapes, a device that should be used only by adult smokers who want to quit smoking. Youth vaping has tripled in the last three years, and one in five children has used a vape. We have a duty to protect children from under-age vaping while their lungs and brains are still developing, so we are taking decisive action to reduce the appeal and availability of vapes.

In our recent public consultation, we sought views on restricting flavours, point-of-sale displays and packaging, and on restrictions on disposable vapes. We will take tough new action to reduce the appeal and availability of vapes to children through the tobacco and vapes Bill.

I totally get the point that my hon. Friend the Member for Northampton South made about flavours. These are all areas that are being carefully looked at, but he will appreciate that Cherryade, Yazoo and bubble-gum flavours are not really designed for him and me. Packages that look like a little Coke bottle, or are brightly coloured, like a bubble-gum package, are marketed not at him, but at children. Of course we see the vape stand right next to the sweets stand, and vapes are sold, conveniently, at pocket-money price, so let us not be naive about this. A lot of the flavours and colours are specifically designed to appeal to children, and that has to stop. A strong approach to enforcement is a crucial part of making sure that it has a real-world effect.

Under-age and illicit sales of tobacco, and more recently vapes, are undermining the Government’s work to regulate the industry and protect public health. We are cracking down on this appalling illicit trade by backing enforcement agencies, including Border Force, His Majesty’s Revenue and Customs and trading standards, with £30 million extra per year. In the tobacco and vapes Bill, we will introduce powers to give on-the-spot fines, to tackle under-age sales.

Sir Christopher Chope: Will my right hon. Friend comment on the undue influence of China on the WHO, as exemplified in my remarks? China is trying to ensure that its policies are adopted by the WHO, and it seems to be funding the WHO and controlling it. Should we not be concerned about that?

Dame Andrea Leadsom: I will look into my hon. Friend’s concerns and respond to him in writing. That is probably the most helpful I can be, because that is not something that I have been briefed on. I am, as are all hon. colleagues across the House, concerned about the undue influence of China on public policy that finds its way into national policies. I am grateful to him for raising the issue.

Mr David Jones: Does my right hon. Friend know why the WHO exhibits such hostility to the harm reduction measures that the United Kingdom Government are putting in place?

Dame Andrea Leadsom: No, to put it simply—and I do not know if that is the case. I am grateful to my right hon. Friend. As he knows, I always listen carefully to his usually very wise words, so I will take that away and get an answer for him.

We should be proud of our record on keeping tobacco control at the top of not just the national agenda, but the global agenda. We are a world-leading trailblazer in tobacco control, and our delegation to COP10 will proudly set out our unique and sovereign approach. My firm belief is that our policy could save countless lives in this country and, through our example, overseas. Crucially, we are using the conference to showcase UK plc to the world.

I say to the hon. Member for Linlithgow and East Falkirk (Martyn Day) that I have been delighted with the collaborative, cross-party approach that colleagues in the devolved Administrations have taken to our smoking and vapes Bill. However, importantly, at an official level, there has recently been an agreed approach to the COP10 delegation. I hope that reassures him that all views from all parts of the United Kingdom are carefully being taken into account.

COP10 will be a forum in which we can exchange ideas with countries such as Canada and Australia. We will back other countries in their efforts to kick the habit, but we will also present our case as strongly as we can. We are going beyond the convention in certain areas, and we have a different view in others. All colleagues should be reassured that we alone will decide what those views are, through our sovereign Parliament.

Martin Vickers (in the Chair): Andrew Lewer has two minutes to wind up.

2.52 pm

Andrew Lewer: Small is beautiful. I found myself agreeing with virtually everything that everybody said; I do not think I have ever before been in a debate, here or in the main Chamber, where that has happened. It is confirmation that light is better than heat. Alas, the Minister is not attending COP10, but I am grateful to her for naming the chief delegate, and for outlining the policy stances in more detail than we have had before.

I have not said, and I do not think anyone else has, that nicotine is harmless. I do not want to minimise the impact of nicotine, but think of a man emerging from the desert, dying of thirst, who is given a glass of dirty water. The fact that he has a glass of water is more important than the fact that it is not perfectly crystal-clear water. That is the case with smoking cessation. I absolutely agree about children, but we should bear in mind the new burdens doctrine, and the huge plethora of laws that we already have. Properly funding trading standards, so that it can tackle the issue, is more critical than having new regulations. Also, there is no evidence for claims about a gateway; the recent University College London studies on 16 to 25-year-olds are especially compelling on that.

We need to dispel naiveté in both direction about flavours. We heard about packaging that looks like Coca-Cola bottles, and having the vapes next to the sweets. Let us just get rid of all that, and not have an argument about silly designs that are obviously for children. However, let us also not be naive about the huge number of

people who use flavoured vapes, and about modern 20 and 30-somethings, who think a bubble-gum flavour is not obviously for a teenager; it is for them. Lots of people use flavoured vapes. I have a relative in her 30s who does. As a result, she is not smoking, and that is the more important thing. Plainer packaging that is not directed at children and not having silly names is fine, but flavours that take people away from the taste of tobacco have an important role to play.

I am not a banner by nature—I have voted against various measures banning stuff—but cigarettes are different. If, when smoking was invented, we had said, “The idea is that we roll up a weed and set fire to it to give ourselves lung cancer,” smoking would never have existed. When I was a Member of the European Parliament, I was on STOA, the Science and Technology Options Assessment Panel, which was supposed to be the science and technology committee on evidence-led policymaking. However, some of its members—I was one of them—were

honest with themselves that we often come to an entrenched position and then go find the evidence that backs it up, rather than the other way round. We all do it; we do not all admit to it. It is useful that we are at an early stage of consultation, so that we do not have an entrenched idea that we must defend with convenient evidence. Instead, we are evidence-led, rather than having set in stone what we will do. The reassurances we have received on that point, and the outlines given on where we are going with COP10, are extremely welcome. With that positive and uplifting statement, it is my great pleasure to conclude the debate.

Question put and agreed to.

Resolved,

That this House has considered COP10 to the WHO Framework Convention on Tobacco Control.

2.54 pm

Sitting adjourned.

Written Statements

Thursday 18 January 2024

DEFENCE

Camp Bagnold: Gifting to UN

The Minister for Armed Forces (James Heapey): I am today giving an update to the House describing the gifting of infrastructure to the United Nations multilateral integrated stabilisation mission—MINUSMA—in Gao, Mali. This infrastructure carried a net book value of £3,522,479 as at 7 September 2023.

MINUSMA is a UN-led non-combat mission to support the political processes in Mali. The UK contributed to MINUSMA from December 2020 to February 2023 with the long-range reconnaissance group Mali, under the name Op Newcombe.

On 16 June 2023, the transitional Government of Mali asked MINUSMA to leave Mali “without delay”, which was formalised in a United Nations Security Council resolution dated 30 June 2023 that directed MINUSMA to leave Mali no later than 31 December 2023.

On 17 July 2023, the Defence Secretary laid a written ministerial statement and departmental minute in Parliament to explain that the UK intended to gift the UK camp infrastructure to the UN as part of the withdrawal from Mali, for \$1. The UN subsequently wrote requesting authority to dispose of the camp with no requirement to gift.

The process for transferring legal ownership of the camp to the UN has now been completed. The UK has transferred ownership of the camp infrastructure to the UN and no longer has any financial obligation for disposal or remediation of the site.

[HCWS196]

TRANSPORT

High Speed 2: Safeguarding

The Secretary of State for Transport (Mr Mark Harper): I am today formally lifting the safeguarding directions for HS2 phase 2a (between the west midlands and Crewe). In doing so, this Government are delivering on a commitment made in the Command Paper “Network North: transforming British transport”, published on 4 October 2023.

Safeguarding is a planning tool used to protect the land needed for the HS2 scheme from potential conflicting development. The safeguarding directions require the local authority to consult HS2 Ltd on planning applications within the safeguarded land. By lifting safeguarding, the Government provide certainty to people along the former route of HS2 and make development easier, as HS2 Ltd will no longer object to proposed development in the area to which the safeguarding directions had applied.

To allow phase 1 of HS2 to connect to the west coast main line I am continuing to safeguard land close to Handsacre. This connection at Handsacre will:

- allow passengers to travel on HS2 trains through to Manchester, Liverpool and Scotland, joining the west coast main line for the rest of their journeys; and

- reduce the journey time between London and Manchester by nearly half an hour (down to 100 minutes), facilitated through an upgrade of Handsacre junction which will allow more trains to reach key destinations north of Birmingham.

For areas where safeguarding has been removed, I have also today closed the rural support zone, extended homeowner protection zone and homeowner payment schemes and will review existing applications on a case-by-case basis. This is because these schemes were established to support those impacted when the Government intended to build phase 2 of HS2. The need to sell scheme remains open for now as a “safety net”, for those who meet the criteria and have a compelling need to sell, until the blighting effect of HS2 has fully receded. Further information about the different property schemes can be found at: <https://www.gov.uk/claim-compensation-if-affected-by-hs2/overview>.

High Speed 2 Ltd (HS2 Ltd) is writing to the owners of properties affected by this update explaining what these changes mean to them personally.

The Network North Command Paper also committed that phase 2b safeguarding will be amended by summer 2024, to allow for any safeguarding needed for Northern Powerhouse Rail. I can confirm that this work is underway and I will set out further details regarding those areas that will come within the scope of these new safeguarding directions in due course.

The lifting of safeguarding is separate from the programme for disposing of any property no longer needed for the HS2 project, which will begin shortly. More details will be set out soon.

I am depositing the High Speed 2 Handsacre connection to the west coast main line safeguarding directions and guidance, the Handsacre west coast main line safeguarding directions plans and the Handsacre west coast main line safeguarding directions key plan in the Libraries of both Houses.

[HCWS195]

International Maritime Law

The Parliamentary Under-Secretary of State for Transport (Guy Opperman): My noble Friend, the Parliamentary Under Secretary of State for Transport (Lord Davies of Gower) has made the following ministerial statement:

I am making this statement to record updates to maritime legislation as a result of changes to international law. This fulfils a commitment made to Parliament to make such a statement. The legislative changes came into force on 1 January 2024.

Some domestic maritime secondary legislation includes ambulatory reference provisions to give direct effect in UK law to certain amendments to international obligations. This means that where the legislation refers to a provision of an international instrument, such as a requirement in a convention, this reference will be ambulatory, i.e. a reference to the most up to date version of that provision. This approach ensures so far as possible that the UK keeps up to date with its international maritime obligations.

Amendments to mandatory requirements in the International Convention for the Safety of Life at Sea, 1974 (“SOLAS”) took effect in UK law on 1 January 2024. SOLAS, a key maritime treaty, is frequently reviewed and amended by the Member States

of the International Maritime Organization (IMO) to improve safety and to take account of new technologies. The technical provisions of SOLAS are usually amended to follow a four-year cycle of entry into force.

This statement summarises the amendments which affect five chapters of SOLAS. Full details of the amendments are available on the IMO website and guidance on all the changes being made will be available on www.gov.uk.

SOLAS Chapter II-1 relates to ship construction and makes mandatory the international code of safety for ships using gases or other low-flashpoint fuels (“the IGF Code”). The substantive changes to the IGF Code apply only to ships constructed on or after 1 January 2024. These include permitting a higher loading limit for liquefied gas fuel tanks, new requirements for fuel distribution outside of machinery space, improvements to the requirements for explosion relief systems for ships with piston type internal combustion engines, improvements to the requirements for fire protection for fuel storage hold space and a requirement for fuel preparation rooms with potential ignition sources to be provided with a fixed fire-extinguishing system. Other changes to the IGF Code include improvements to the method of calculating liquefied gas fuel tank locations, aimed at preventing explosions, amendment to the list of suitable pressure relief systems, and amendments to materials that can be used for the welding of metallic materials and non-destructive testing.

Amendments to SOLAS Chapter II-1 have also been made with respect to towing and mooring equipment, vessel stability, subdivision, watertight and weathertight integrity, and stability management. For towing and mooring, there are now more specific requirements for ships built from 1 January 2024 relating to the design of mooring arrangements, mooring equipment and fittings. Existing guidance on shipboard towing and mooring equipment has also been revised for ships built from 1 January 2007 and from 1 January 2024.

Chapter II-1 also contains technical regulations which set out complex requirements for vessel subdivision and stability. The IMO has developed explanatory notes for these requirements. A new provision has been included in SOLAS Chapter II-1 which aims to improve stability management by providing requirements for water level detectors specifically for multiple hold cargo ships, other than bulk carriers and tankers. Finally, there are editorial amendments to the requirements regarding the emergency source of electrical power in passenger ships and cargo ships.

SOLAS Chapter II-2 contains rules for fire protection, detection and prevention and makes mandatory the international code for Fire Safety Systems (“the FSS Code”). An amendment has been

made to remove the need for costly isolators to be fitted to fire detector units with individually locating detectors on cargo ships and passenger ship cabin balconies. The wording of some of the requirements for inert gas fixed firefighting systems has also been amended.

SOLAS Chapter III makes provision for life-saving appliances and arrangements on ships and gives effect to the International Life-Saving Appliances Code (“the LSA Code”). The LSA Code has been amended to remove the requirement for lifeboats that have two independent propulsion systems, where the arrangement consists of two separate engines, shaft lines, fuel, tanks, piping systems and any other associated ancillaries, to carry oars. The requirement for oars continues to apply to all other lifeboats except free-fall lifeboats. The second amendment allows the launching and recovery of reserve rescue boats on certain types of lighter ships to be made by manual means, such as mechanical hand-operated winches, subject to minor qualifying criteria. The third amendment removes the requirement for free-fall lifeboats to be capable of being launched and towed when the ship is making headway at a speed of not more than 5 knots in calm water.

SOLAS Chapter III is also amended in relation to the survival craft embarkation and launching arrangements applicable to cargo ships of 20,000 gross tonnage and above. The amendment has the effect of applying the requirement to davit-launched lifeboats, rather than to all lifeboats.

SOLAS Chapter IV relates to radiocommunications. A comprehensive review of the Global Maritime Distress and Safety System (GMDSS) was undertaken in the IMO to modernise the GMDSS communications, remove obsolete requirements and to update guidance. SOLAS chapter IV has been revised, with consequential amendments to other SOLAS Chapters, to reflect the IMO’s findings and consolidate the requirements. There is a new obligation for two-way distress alerting radios to automatically include the position of the ship. In the case of malfunction of the source navigation receiver, the position and time of the position fix must be manually updated in the radio at least every four hours.

Chapter X of SOLAS gives effect to the high-speed craft codes, 1994 and 2000, which prescribe the standards for construction and operation of seagoing commercial high-speed craft such as hovercraft, catamarans and hydrofoils. The requirements for life-saving radiocommunication appliances have been moved within these codes as a consequence of the decision to move the life-saving radiocommunications requirements from SOLAS Chapter III (life-saving appliances) to SOLAS Chapter IV (radiocommunications).

[HCWS194]

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